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Statement by the distillers of  
the west of Scotland, respecting  
the distillery laws.



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# STATEMENT

BY THE

DISTILLERS OF THE WEST OF SCOTLAND,

RESPECTING

THE DISTILLERY LAWS.

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THE DISTILLERS OF THE WEST OF SCOTLAND,  
RESPECTING  
THE DISTILLERY LAWS.

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IN consequence of the increase of Duty lately made on Spirits, and the proposed Repeal of the Malt Drawback in Ireland—and the probability that similar changes may be attempted in this country,—the Distillers of the West of Scotland feel themselves called upon to request attention to the following remarks on the Distillery Laws.

No class of traders in the kingdom has been so harassed by experiments in Legislation, or subjected to so much loss and inconvenience by repeated alterations in the enactments regulating the process of their manufacture, as the Scotch Distillers. Many well-intentioned and otherwise well-informed persons, think that on the making of Spirits, the restrictions cannot be too severe nor the Duty too high. The following quotation from the Fifth Report of the Commissioners of Inquiry into the Revenue, and subsequent remarks to be made in this Statement, will be of use in removing such a prejudice:—

“ Peculiar considerations belong to the imposition of Duties on Spirits. On other articles, Revenue is the object of the Tax imposed, and the regulations in respect to the amount and mode of charging that Revenue, are usually framed with a view to give every possible facility (consistent with the security of the collection) to the production and sale of the article taxed. With regard to Spirits, it may be a question whether the Duties and Regulations ought not to be imposed as much for the purpose of restraining their manufacture and consumption, as with a view to the amount of Revenue to be collected. In countries where the use of Spirits is partial or occasional, and where the state of society is such as to admit of the rigorous execution of the laws,

it may be possible by restrictive Regulations and high Duties, to discourage or limit the consumption. On the contrary, in countries where the use of Spirits has become so general and so constant as to enter into the daily aliment of the inhabitants, it is hopeless to expect, and it would perhaps be unjustifiable to endeavour, to compel a change by the enactment of laws, having for their object the restriction of the manufacture, or the imposition of an excessive Duty, whereby the price of the article may be rendered so high as to place it out of the reach of the general consumer: experience has shown, that in such countries, the consumption is not checked by restrictive Regulations, or high rates of Duty; the inducements to evasion (increasing with the rate of Duty) become too strong for the law, and the manufacture is (as in various parts of Ireland and Scotland) conducted under circumstances more fatal to the public peace, and to the morals of the people, than any likely to arise from an unrestrained manufacture and consumption of the article itself. Assuming, however, that Spirits, whether with a view to Regulation or Revenue, are an eligible object of Taxation, and that the Manufacturer may be consequently subjected to the restraints necessarily incident to the collection of a Duty; it is evident the amount of that Duty should not be so high, or the restraints so inconvenient, as to hold out a temptation to a breach of the law, which a dread of its consequences may not be sufficient to overcome."

It will appear, from a brief survey of the past and present state of the Distillery Trade, that there is a decided predilection for Malt Spirits of fine quality in Scotland, and that the greater part of the inhabitants will not, if they can avoid it, drink Spirits manufactured from an admixture of unmalted grain; and that, with a few exceptions, the enactments of the law previous to 1823, restrained the manufacture of such Spirits.

This is no newly acquired taste, but has existed from the time of the first introduction of home-made Spirits into general consumption. About sixty years ago, when private families were allowed to make Whisky for their own use, in their own way, and to suit their own taste, and when the Trade was nearly unfettered by either Duties or Regulations of Excise, the only material employed in the manufacture was Malt, although it was subject to a small impost, and considerable labour and expense were necessary for its preparation. For a considerable period, any family was allowed to have a small Still of ten gallons content, and the familiar phrase of "Wee-Still Whisky," has

become the name by which *excellent quality* has ever afterwards been distinguished. There were then few large Distilleries, and although Raw Grain began to be used in them at first in small, and afterwards in gradually increasing proportions, the greater part of the legal, and the whole of the illicit Distillers, continued for many years to use Malt only. The Spirits made from Grain were disliked by the consumer, and generally thought to be unwholesome. Malt free of Duty was permitted, in the manufacture, in the Highlands and what was called the intermediate district; and an attempt was made, in 1798, to tax the unmalted corn used in Distillation; but the efforts of country gentlemen and others, to continue to the people their favourite beverage, were not effectual.

In framing Distillery Regulations, the Government paid attention almost solely to the collection and amount of Revenue. The individuals most distinguished for their capital and skill, were, of course, consulted with regard to circumstances connected with their own business, and they gave such information as they conceived to be likely to promote their own interests. Like all other traders, they were desirous of securing a monopoly. In managing this they adopted two principles of which they never lost sight; first, to procure such enactments as in their operation should render a large capital necessary; and secondly, such as could not be carried into effect without great skill, and that skill of the peculiar kind which they themselves only had an opportunity of acquiring. Whenever, in the course of their experience, they made any discovery that could answer these purposes, it was suggested to Government, disguised in the form of a new protection for the Revenue, and in general adopted. By these, and other means of the same kind, the regular trade came at last into the hands of a few, who could so regulate the quantity to be produced, as to ensure a profit to themselves. From what has been said, it is easy to trace the origin of the Wash Law—the License System—the increased proportion of Spirits to be produced from the Worts—the restrictions as to Excise entries—and finally, the English system introduced in 1814.

In the meantime, the high rate of Duty that had been imposed on Malt gave increased inducements to use Raw Grain in Distillation; and by every additional restriction the quality of the manufacture was rendered worse and worse, until, under the English system; which, by those who recommended its adoption, was supposed perfect for the purpose of monopoly, the Whisky became so unpalatable as to be swallowed with disgust, even by those most desirous of stimulants.

Under these circumstances, the quantity of Spirits brought to charge by the Officer of Excise, was gradually diminishing; but not the quantity actually consumed, for the Smuggler brought to market Malt Whisky, of fine quality, acceptable to the consumer, and his trade increased in proportion as the Whisky manufactured by the legal Distiller became gradually deteriorated. It is needless to take up time in relating the extent to which illicit Distillation advanced, and the deplorable evils by which it was accompanied. Suffice it to say, that it was encouraged, directly, by a large proportion of tenants, landlords, and merchants, to whom it was advantageous; and indirectly, by all classes of the community; for every one who could afford it, procured a supply of fine Malt Whisky, although the price was comparatively high—and this article was principally supplied by the Smuggler. Whatever might be the cheapness of illicitly made Spirits in the remote districts of the Highlands, they always commanded a high price and a ready sale in the Lowlands.

It had now become abundantly evident that the Spirits produced by entered Distillers, fettered as their operations were by absurd restrictions, which prevented the production of an article suited to the taste of the consumers, had ceased to supply the demand of the country, which was now almost entirely confined to the manufacture of the Smuggler; and a great change was absolutely necessary and universally called for.

A most important improvement began in 1816, under the superintendence of the Scotch Board of Excise, assisted by intelligent practical Officers, and the gratitude of the country is due to the gentlemen who took an active part in the preparation of the new measures. Although opposed in every step by the Monopolists, who clung tenaciously to their favourite system, these gentlemen introduced new regulations, which were greatly superior to the old in every respect. They formed a more sufficient protection against fraud among Distillers themselves; they removed in a great measure the enactments, the tendency of which was to deteriorate the quality; and by allowing persons of small capital to enter into the business of Distillation, they gave free scope to competition among all classes of the community. Gradual improvements continued to be made; and in 1821 a partial deduction of Duty was allowed on Malt used in Distilleries, the rate of Spirit Duty having been previously reduced to 5*s*.6*d*. per gallon.

Notwithstanding of these beneficial alterations, illicit Distillation, although partially checked in some parts of the Lowlands, was far

from being eradicated, and it was increasing in the Highlands. In fact, the real support of the disease is to be found in the Lowlands. It is there where the Spirits are sold and consumed, and the bands of *carriers* who defied the laws and disturbed the peace of the country, were employed in the transference of smuggled goods from the Highlands to the Lowlands. The evils of the trade would have been comparatively trifling, if the Spirits had been consumed where they were manufactured. It is a mistake to imagine that the predilection for fine quality is confined to the Highlands. It is universal throughout Scotland, and fully more decided in Renfrewshire, Ayrshire, Lanarkshire, &c., than in Argyleshire; and the drinkers of Whisky in Glasgow, generally, and the greater proportion even in Edinburgh, are more particular about quality, than those in Islay or Glenlivet.

The Monopolists still maintained a strong hold, which they defended with determined perseverance. They knew very well that fine Whisky could only be produced from Malt; but the process of manufacture from that material is simpler, more generally understood, and requires less capital than that from Unmalted Corn. It was, therefore, their interest that the simpler process should be discouraged, and the more difficult (to which their skill and establishments were peculiarly adapted) encouraged by special advantages. The Malt Duty afforded an excellent opportunity; for its effect was to impose a tax of 1*s.* 2*d.* per gallon on fine quality, and, consequently, a bounty to the same amount on bad quality. Hence their opposition to the Malt Drawback in all its stages.

The Government had, however, been too long deceived by interested representations, to be contented without a thorough investigation of the Distillery Laws in the three Kingdoms, so as to obtain an uniform system of regulations suited to the interests of the fair trader, of the Revenue, and the country in general. The Commissioners of Inquiry into the Revenue, were appointed for this purpose. The existing Distillery Regulations were introduced on their recommendation, after a most extensive and careful investigation of the subject, embracing everything connected with the Manufacture of Spirits, and the peculiar customs and tastes which led to and regulated their consumption in Scotland and Ireland. In accordance with their statement, a great reduction was made in the rate of Duty, increased facilities were given for the manufacture of Spirits of fine quality, and the erection of small works; and what we conceive to be the greatest improvement of all, and to which the complete success of

their measure is mainly to be attributed, an equalization of Duty on Spirits made from Malted and Unmalted Grain, was effected by means of machinery admirably adapted for the promotion of Free Trade, the protection of the Revenue, and the removal of prejudices. The consumers had so long been disappointed in the quality of Spirits purchased from legal Distillers, that they could scarcely be brought to believe that pure Malt Spirits could be obtained excepting from Smugglers. The measure referred to, removed that difficulty, for it not only encouraged the Distillers (who took the benefit of it) to make Spirits of the finest quality, but the regulations by which it was carried into effect obliged them to do so, and gave a security to the purchaser that Malt Whisky only could be sold to him.

The manufacturer being thus left at liberty, in so far as Duty is concerned, to employ the materials most conducive to excellent quality, and confidence being restored between buyer and seller, the consequence has been, that although Malt Whisky is sold from 6*d.* to 2*s.* 6*d.* per gallon higher than Raw Grain, the former is the only kind used for consumption in Scotland. Out of six millions of gallons annually used, only five hundred thousand are manufactured from any admixture of Unmalted Corn; and this trifling proportion is almost entirely purchased by rectifiers, for the purpose of making compounds and spirits of wine.

It appears, from the short review of the past and present state of the Distillery trade, which has now been made;—1st, That the people of Scotland, when untrammelled by the Excise, and left to pursue their own natural course, manufactured and consumed Malt Whisky only. 2d, That when the absurd regulations of the law encouraged the making of a bad Spirit from Unmalted Corn, it was greatly disliked, and all classes of the community who could afford to do so, adhered to the use of Malt Spirits, although the price was always comparatively high, and a considerable risk incurred in dealing in a smuggled article. 3d, That now when their favourite beverage, pure Malt Whisky, is supplied to the inhabitants by the legal Distiller, no other kind is consumed in Scotland.

We, therefore, think that we have proved most incontrovertibly the proposition with which we began,—that there is a decided predilection for Malt Spirits of fine quality in Scotland, and that the greater part of the inhabitants will not, if they can avoid it, drink Spirits manufactured from an admixture of Unmalted Grain.

Let us now attend shortly to the various benefits that have arisen

from the measure now under review. Illicit Distillation, which prevailed to an alarming extent throughout the whole country, and which was encouraged either directly or indirectly by a large proportion of the population, and which was fast approaching to the state of an incurable disease, has been almost completely eradicated; the whole of the Spirits manufactured (including nearly four millions of gallons annually supplied by Smugglers), have been brought to charge; a lawless, concealed, and demoralising trade, has been supplanted by one that is fair, open, and honourable. The tenants and landlords can now obtain as good a price for their Barley as when they formerly compromised their characters by dealing with Smugglers; and a great many individuals who were ruining their health, and nursing in themselves and those around them, a wide-spreading moral pestilence, are now earning an honest subsistence by sober industry.

Regular Distilleries are now erected throughout many parts of the Highlands and Lowlands, where only Smuggling establishments formerly existed; and their proprietors, by the purchase of Grain, the employment of the people, and the supplanting of illicit Distillation in their neighbourhood, are, in the course of their business, naturally carrying into effect the most desirable financial and moral improvements. The Distillery trade has rapidly advanced, and has, in every point of view, become of the highest national importance. Since 1823, additional buildings and utensils have been erected, fitted for manufacturing four millions of gallons of Spirits, and two millions seven hundred and fifty thousand bushels of Malt annually,—all rendered necessary in consequence of the destruction of an illegal trade.

It is worthy of attention, that the enactments respecting the making and storing of Malt prepared for Distillers, by rendering it difficult for the Smuggler to procure Malt, have proved powerful checks to the practice of illicit Distillation; and that evil once extinguished, smuggling of Malt likewise ceases.

In this district, and throughout the adjacent Highlands, particularly about Lochlomond, the illicit Distiller used Duty-paid Malt. The effect, therefore, of the Drawback, was to impose a Duty of 1*s.* 2*d.* per gallon on Spirits illegally made, from which the regular manufacturer was relieved.

These surely are improvements that ought not to be disturbed or endangered. The removal of the Malt Drawback would, however, throw everything into confusion, and be productive of the most disastrous consequences. The cost of Spirits made from Malt, after the

allowance in question has been given, exceeds that of Spirits made from Unmalted Grain, to the extent of from 6*d.* to 1*s.* 6*d.* per gallon. 1*s.* 2*d.* (the amount of the Drawback) added, will make the difference from 1*s.* 8*d.* to 2*s.* 8*d.* This difference will afford an irresistible temptation to Distillers in general to use Raw Grain; and even if some of them should abstain from doing so, the Spirits will become deteriorated in passing through the hands of Dealers and Retailers. The consumer will find the quality inferior, and will have recourse, as formerly, to the Smuggler.

It was generally thought, that the granting of the allowance under discussion, would naturally cause a falling off in the Revenue from Malt, and this was contemplated by those who proposed the measure. But such a deficiency, even if it had occurred to a considerable extent, would have been no way commensurate to the immense benefit gained by the Revenue from the increased income on Spirits, and would have been a trifling sacrifice when rendered necessary for the accomplishment of arrangements of the highest consequence to the peace and welfare of society. It is fortunate, however, that even this anticipated loss has not taken place, for, after deducting the Drawback, the net annual Revenue from Malt has been gradually increasing. This is a subject to which we will have occasion afterwards to recur. In the meantime we may remark, that in fact the greatest part of the Malt legally made for Distillers at present, would not have been made at all, excepting on account of the new demand arising out of the existing regulations. If these were altered, the Distiller would use Raw Grain principally, instead of Malt. What is prepared for distillation, is in nearly the same situation, in so far as the Revenue on the article is concerned, as Malt made for Foreign exportation free of Duty. In neither case does the Revenue suffer. Take away the demand for Foreign exportation, and no more will be made for that purpose. Take away the Drawback, and the Distillers will use Raw Grain instead of Malt, and little will be made for their purpose. But there is this great difference between the two cases,—that, eventually, the Revenue will suffer the loss of the Duty on the Spirits, which the Malt that would have been prepared for Distillers would have been capable of producing,—and the Smuggler will manufacture, to a great extent, both Malt and Spirits free of Duty, as he did on former occasions.

It will now be proper to notice some of the objections which have been made to the Malt Drawback.

In financial reports, and in works on political economy, general objections have been made to Drawbacks; but, in the present instance, it is only the name which appears inconsistent with the general principles which have been established. What has been called the *Malt Drawback*, is one of a peculiar kind. It is necessary for the purpose of leaving the manufacturer at liberty to employ the material most conducive to excellent quality, with regard to an article the demand for which is principally regulated by the quality. It places the Distillation of Malt and Grain Spirits on the same footing with regard to taxation, but does not grant any encouragement nor impose any restriction peculiarly applicable to the production of either kind of Spirits. Its removal would be, in reality, the granting of a bounty on the manufacture of an article of bad quality, for which there is no natural demand; the forcing of which upon the market, would be not only contrary to the clearest principles of trade, but most injurious to the finances and the dearest interests of the country; for although Whisky is, in many cases, a necessary of life, it is principally used as a luxury, and consequently the art of the manufacturer must be adapted to the pleasing of the taste of the consumer. Now, how is this taste to be ascertained? Not surely by the opinion of a chemist or any individual distiller. Chemists cannot make experiments on tastes or flavours. In this case, the only real judges are the consumers; and their decision is correctly ascertained by the price which is paid for the different kinds of Spirits. The lowest priced Malt Whisky can be readily sold at a rate so much exceeding that of Raw Grain Whisky, as fully to compensate the additional expense incident to its manufacture; and those Distillers who have been more successful than their neighbours in preparing an article of superior quality, are, consequently, obtaining prices proportionally higher. Success in the business, therefore, depends on the use of the most *perfectly made* Malt, and the employment of such utensils and processes as may be most effectual in the improvement of quality; and there is no doubt that the Distilling trade, if left in this natural state, will continue to improve, and an article will be produced well suited to the demand, equal, or perhaps superior, to what has hitherto been sold by Smugglers, and likely to find a market in Foreign countries.

We have now stated the principles in accordance with which the Distillery regulations were altered by the Commissioners of Revenue Inquiry, namely, 1st, a low rate of duty; 2d, allowing the Distiller to adopt the mode of manufacture best suited for the production of Spirits of fine quality, instead of being injuriously restricted, as for-

merly, in regard to the strength of wash, the rapidity of working, and the size of utensils; and 3d, the equalization of Duty on Spirits of coarse and fine quality, by means of the Malt Drawback.

We have shown the eminent success of the application of these principles, and have answered objections of a more general kind.

But these improvements all tended to destroy the monopoly of the large Distillers, by introducing competition and a kind of Spirit in the manufacture of which they did not excel. They, accordingly, never ceased to address to the Government the most unfounded allegations concerning the undue advantages that were derived from the Drawback. At last the Irish Distillers, assisted by a few of the large Distillers in Scotland, raised such a clamour, that in 1831 the Government appointed a Select Committee on Malt Drawback. We will now give the Answers that were made by us at that time, to the objections stated to the Committee.

“The first objection to which we require to allude, is so intimately connected with our previous illustrations, that it has been already sufficiently answered in a general way; but as it has been put forward with a great array of figures from which very strange conclusions have been drawn, it will be necessary to examine it more minutely.

“It has been asserted, that the increased quantity of Spirits brought to charge, and the suppression of illicit Distillation after 1823, have arisen entirely from the reduction of Duty that then took place, and that the Malt Drawback had no influence in producing these important results. For it is said by the objectors, the Malt Drawback commenced in 1821, and from that time till the great reduction of Duty which took place in 1823, the consumption of Duty-paid Spirits instead of increasing was rather diminishing. Now, we think the whole of this is a deceitful misrepresentation. It is not true that the Malt Drawback under discussion, existed previous to 1823. A *Malt Drawback*, trifling in amount and in every respect deficient in regulation, was introduced in 1821; and this allowance being in reality a reduction of Duty of nearly 6*d.* per gallon, ought, according to their own principles, to have been beneficial; whereas, their argument tends to show that it has been hurtful. But the present allowance on Spirits made from Malt only, is 1*s.* 2*d.* per gallon, and surely ought to have an increased effect in proportion to the greater reduction of Duty. The main defect, however, in the former Drawback was, that it was not accompanied by any regulations which could ensure to the consumer the supply of a pure and wholesome Malt Spirit from the

legal Distiller, and consequently he was obliged to obtain such an article from the Smuggler. It wanted the peculiarity of the present measure, which not only encourages Distillers to make Spirits of the finest quality, but in effect obliges them to do so, and gives a security to the purchaser that Malt Whisky only can be sold to him.

“ Besides, during the period in which the former inefficient Draw-back was in operation, there is no proof that the consumption of legally-made Spirits was falling off, but rather a probability that it was increasing. It is certain, that from the middle of 1821 to the latter part of 1822, there was an increase shown, according to official documents; but these accounts afford no true indication of the actual consumption from the latter period till 10th October 1823, at which date it was well known that cheaper and better Whisky would be brought to market. They merely state the quantity of Duty-paid Spirits made by Distillers; and although in general they may be a good criterion of the consumption, they led to a conclusion, in the present case, which is incorrect, to the extent of the whole amount of the stock of such Spirits usually held by Distillers, dealers, retailers, and private families. It is certain that this usual stock was held towards the end of 1822; but on the 9th October 1823, there was scarcely a gallon of Duty-paid Whisky to be found in the whole of Scotland.

“ The Irish Distillers state, that—‘ In Scotland, taking an average of three years before the law of 1823, the gallons charged with Duty for home consumption, were 2,000,000; and the average of the three years ending the 5th Jan. 1830 was 5,400,000 annually,—a great increase undoubtedly; but in Ireland the increase in the same interval, has been from 2,500,000 gallons, to 9,100,000 annually. What must be thought of the candour of those who attributed to the Malt Draw-back, this increase in Scotland, suppressing the fact that the increase under the same law has been much greater in Ireland, where the Malt Drawback has remained nearly a dead letter, and where illicit Distillation prevailed to at least as great an extent as in Scotland.’

“ In another part of their illustration, with a pompous display of arithmetic, in which they affirm they greatly excel the gentlemen of the English Excise, they state the increase at 260 per cent. in Scotland, and 360 per cent. in Ireland. We beg leave to remark, that various circumstances of the utmost consequence to the forming of a correct conclusion on the principal subject of inquiry, are altogether overlooked in this statement.

“1st, The amount of the population of Scotland and Ireland is not brought into calculation. If the increase in Scotland, where the population is 2,000,000, has been 3,400,000 gallons, then in Ireland, where the population is 7,000,000, the increase ought to be 11,900,000 gallons, whereas the increase is only 6,600,000. There, is therefore, a much less increase in Ireland than in Scotland, when the conclusion is drawn from fair premises. 2dly, The increase in Ireland has arisen, in a great measure, from the suppression of Smuggling among the entered Distillers. It is well known, and has not only been openly confessed but ostentatiously published by Irish Distillers, that, previous to 1823, at least one-half of Spirits manufactured by them, was fraudulently conveyed by them into consumption, without payment of Duty, and without being taken account of by the officer of Excise. Here is a considerable source of the increase in Ireland, but which did not exist in Scotland; for in that country, the Duty was paid by legal Distillers according to the strictest interpretation of the law, carried into effect by the strictest management on the part of the Excise. The principal effect of the reduction of Duty in Ireland, has been to mitigate Smuggling among legal Distillers, and in this respect it has been eminently successful.

“3dly, Illicit Distillation, although entirely destroyed in Scotland, has been only partially checked in Ireland. One of the very last Acts passed in the late Session of Parliament, was intended for the suppression of Smuggling in Ireland. A principal part, therefore, of the increase of the quantity of Duty-paid Spirits in Scotland, is attributable to the destruction of illicit Distillation, in consequence of the Malt Drawback having enabled the legal manufacturer to supplant the illegal, by means of Spirits of fine quality; and the same effect has not taken place in Ireland, because monopolists have set themselves against small works and the Malt Drawback. The principal check given to the illicit trade in that country, having been through the introduction of fine Malt Whisky from Scotland; a fact freely admitted by the spirit-dealers and consumers in the north of Ireland.

“It is proper to remark, that we have never attributed the suppression of illicit Distillation entirely to the Malt Drawback; we believe that the reduction of duty was absolutely necessary for the purpose, and rejoice that the conjoined measures recommended by the Commissioners of Inquiry into the Revenue, have proved effectual in Scotland; and we still confidently anticipate that they will be followed by the same beneficial results in Ireland.

“The Irish Distillers have asserted, in the most unqualified manner, that Scotch Distillers have, by fraudulent practices, derived undue advantages from the Drawback.

“We can most confidently appeal to your Lordships, that we have on all occasions most earnestly repelled this accusation, and requested the strictest inquiry.

“In our Memorial of 23d February last [1831], we thus addressed your Lordships:—‘Allegations have been boldly made, that great frauds have been committed by Scotch Distillers in procuring Drawback for Malt. Your Memorialists distinctly state, that this is wholly untrue, and they appeal to the Honourable Board of Excise on the subject.’\* As false and calumnious accusations still continued to be circulated, on the 31st August we again requested your Lordships’ attention to the subject, in a Memorial of that date, from which the following extracts have been taken:—‘It has been reported to your Memorialists, that various unfounded and exaggerated statements regarding the abuse of the Drawback given on Spirits made from Malt only, have been made to your Lordships. They are assured that the most calumnious reports of fraud, alleged to have been committed by them, have been made in the boldest and most persevering manner by persons averse to the Drawback, and especially by Distillers from Ireland. All that your Memorialists can do, in such circumstances, is, to appeal to your Lordships for the protection of their character and interests—and most decidedly and solemnly to declare, that no such frauds have been committed by them; and that, to the best of their knowledge, almost no advantage, in the way of evading Duty, has ever been taken of this most beneficial and important measure.’†

“Whilst we were, in the confidence of innocence, demanding inquiry, our opponents were both openly and secretly suggesting the most likely ways of detecting alleged frauds; and even particular Works, where they supposed such to be committed, were pointed out for special inspection. The strictest investigations were, therefore, pursued by the Excise, and some surveys of a very inquisitorial nature were secretly made and reported. Afterwards, the whole matter was examined before the Select Committee respecting Malt Drawback; and the public declaration of the Excise has been,—that they had not been able, with the utmost diligence, to detect any frauds, neither could they perceive any appearance of such having been committed.

“It might have been supposed that, after we had passed through an

\* See A in the Appendix. † See B in the Appendix.

ordeal by which scarcely any other traders had ever been tried and found not guilty, our accusers would have been ashamed of having rashly made such unfounded accusations; but they are still attempting to support some parts of their statements by pitiful special pleading.

“The accusation against Scotch Distillers, which has been most frequently repeated in newspapers, is, that they obtain a Drawback on Malt, for which they substitute unmalted corn, fraudulently disposing of the whole Malt to Brewers and Raw Grain Distillers. To attract public attention to this accusation, which was altogether false, another assertion of the same kind was hazarded at random,—that the Revenue from Malt was sacrificed in Scotland, to please fanciful theorists, and give an undue advantage to the Distillers of that country. The strictest investigation was instituted in consequence of these momentous allegations, and the most incontrovertible proof of the honesty of the Scotch Distillers has been afforded by the very test to which their rivals appealed.

“We have already stated, that there was a great probability that the Drawback would have a tendency to diminish the amount of Revenue collected from Malt. Previous to its introduction, several legal Distillers used Malt only; and a considerable quantity was prepared by legal Maltsters in this district, throughout Stirlingshire, Renfrewshire, and other parts of the Lowlands, for the use of Smugglers. It would, therefore, have been no decided evidence of fraud among Distillers claiming the Drawback, although a considerable decrease in the Revenue from Malt had occurred. But there has, on the contrary, been an increase on the net Revenue derived from that article. In a Report of the Board of Excise to the Treasury, it is stated, that ‘in the year 1820,’ (before any allowance was given on Spirits made from Malt only,) the Malt charged at the present rate of Duty, would have produced £156,000; and in 1830, the Receipt amounted to £514,000, a sum exceeding the amount refunded in the shape of Drawback, £180,000. It is readily observed from this statement, that although Scotch Distillers had been subjected to no regulations or penalties, there was an utter impossibility that they could have committed the frauds imputed. The whole market of the country was not sufficient to take one-half of the Malt which they are accused of fraudulently disposing of. But so far from there being a demand to the extent included in the accusation, they could not have been able to dispose of any part of such Malt; for the only persons with whom they could have entered into such transactions, had been fully supplied with

Duty-paid Malt. Had Brewers been, as was alleged, partners in the fraud, the Malt used by them, which by the regulations of the law must be Duty-paid, would have decreased in quantity; but, on the contrary, it has increased.

“But, say the Irish Distillers, ‘The Scotch use much less Malt in the manufacturing of Raw Grain Spirits than we do, and consequently they must be supplied by the Distillers working from Malt only.’ Even if less Malt, according to the assertion, had been used in making Raw Grain Spirits, the inference would not be properly drawn, for there is no obligation to use any Malt at all in that manufacture. They called loudly for accounts; and when the most correct accounts that could be supplied, were submitted to the Select Committee respecting Malt Drawback, it was found, that the proportion of Malt used in the manufacture of Raw Grain Spirits in Scotland and Ireland, was very nearly the same.

“We have not before us the account of the Malt Revenue in Ireland, from 1823 till this time, but we understand that, notwithstanding all the misrepresentations that have been made on the subject, the net Revenue in Scotland, is in a more improving state than that of Ireland.”

It is needless to continue the answers to the unfounded assertions made before the Select Committee. Subsequent investigations, prosecuted by the Commissioners of Excise Inquiry, establish the astonishing facts, that, at the very time these assertions were so boldly made, there was an evasion of Duty to a considerable extent on the part of many of the legal Distillers—that from a fourth to a third part of the Malt used in Ireland, escaped the payment of Duty—and that the Distillers could, according to their own account, purchase Malt at a price greatly under what it would have been sold, if the Revenue had been fairly paid.

It has been argued, that the enactments respecting the obtaining of the Malt Drawback, are not sufficient for the prevention of fraud. We can only state on this subject, that they have in *effect* proved to be sufficient, and we are most anxious to assist in framing such additional regulations as may be thought necessary. So far from desiring that any opportunity for fraud should be afforded by the imperfection of the law, it is peculiarly our interest that no possible opening should be left for fraud. We cannot help remarking, however, that the Regulations are much stricter than they have been represented to be

by persons who are interested in procuring the repeal of the Drawback. We intended to have quoted at length the Enactments, but will only refer to the Acts, and the Sections which are applicable to this subject. If these be examined, an answer will be found to all the ignorant assertions of those who pretend that it is easy to obtain an undue advantage from the Malt Drawback; and it will be seen, that there are checks and penalties of the most effectual and tremendous kind, applicable to every part of prolonged and complicated processes. We refer to 1st and 2d Geo. IV., cap. 82, sec. 2, 3, 4, 6, 8; to the well known sections in 4th Geo. IV., cap. 94; and to 7 and 8 Geo. IV., cap. 52, sec. 40, 41, 66-75; 2d Will. IV.

What appears to us the greatest improvement that could be made in the Regulations, was suggested by us in our Memorial to the Lords of the Treasury, 31st August 1831, *viz.* "to cause Stock to be kept on, and Permits issued with, all Malt made and used for general purposes, as well as for Malt made and used for distillation from Malt only. By this means, Malt, whenever found without a Permit, will be liable to seizure, and Stock will be regularly kept on Corn Distillers' and Brewers' Malt, as well as on Malt Distillers' Malt, so that all possibility of fraud will thus be prevented. Such Regulations were in force till last year, and no suspicions of fraud were entertained until after their removal; and as no Drawback on Malt is allowed in England, such Regulations would not interfere with the sale of Malt there."

It appears, finally, that in the inquiries respecting the Regulations connected with the Malt Drawback, a test has been applied to them, which is not applicable to any Excise Regulations whatever, *viz.* that they should be so framed, that fraud could not *possibly* be committed under them. We give, as an instance of this, an objection that has been much insisted on by the opponents of this measure, *viz.* that it is not sufficient, that Malt going from a Maltster to a Distiller, should be accompanied by a Permit, but that an Officer should also go along with it. Now, who ever heard of an Officer accompanying Spirits from one place to another? and yet it would be as easy to change Spirits in transitu as Malt; and the temptation is much greater, whilst the regulations are as strict, the penalties nearly as heavy, and the difficulties of carrying frauds into effect without detection, as great in the one case as in the other.

Unfortunately, in 1832, the Government gave way so far to the clamours of the large Grain Distillers, as to make a reduction of a 6d. a gallon on the Malt allowance. This yielding of the Govern-

ment has been productive of the worst effects. It has displayed a readiness to give up the most important principle established by the Commissioners of Revenue Inquiry, *viz.* the equalization of Duty on coarse and fine Spirits—on those made from Raw Grain, and those made from Malt. It has encouraged the Irish and Scotch Monopolists to continue with a prospect of success, their attacks on the Drawback, and prevented the erection of small Malt-works in Ireland, as a constant rumour has been spread, that the measure would not be permanent. It was to have been expected, that the Government would not have made a retrograde step in legislation, and abandoned principles which they had sanctioned and carried into execution with eminent success, in accordance with the advice of disinterested and enlightened persons who had fully investigated the subject, on purpose to satisfy parties who, to obtain their object, had made use of the most unfounded allegations.

Since the change made on the Drawback, the quality of Malt Spirits has been deteriorated, in many instances, by the admixture of Raw Grain Spirits in the hands of dealers; illicit Distillation has recommenced to some extent in the Highlands, and the symptoms of its revival are so strong as to prove that the change has been impolitic, and to give warning of the great danger of further reduction. The prosperity of the legal trade has been checked, several failures have taken place among Distillers, and the want of profitable returns has induced others to abandon the business. But as illicit distillation and the smuggling of Malt had been completely suppressed before any change had been made on the Drawback—as the allowance per gallon is still considerable—and as the purchaser feels confidence in the good quality of the article delivered to him (the regulations being continued by which the Distiller is obliged to make Spirits from Malt only),—the consequences of the reduction have not been so disastrous as was feared.

We now proceed to make a few observations respecting the Malt Drawback in Ireland.

The history we have given of the Distillery trade in Scotland, is applicable, in almost every particular, to that of Ireland. Sixty years ago, Malt only was used for distillation in Ireland. In 1780, the number of small Distilleries was very great, exceeding 1200; and small works and malting establishments were common in every part of the Kingdom. But the Monopolists after the introduction of the License system, pursued exactly the same course as had been suc-

cessful in Scotland, and with more pernicious effects. Their interests triumphed over those of the Revenue and of the country.

Notwithstanding the declarations of the large Distillers, the whole of the inhabitants of Ireland formerly had, and a great many of them, particularly in the north, still retain, a strong predilection for Malt Spirits.

The illicit Distillers manufacture from that material, and the Spirit produced by them is generally preferred. We know that we will be contradicted on this point; but we appeal to the independent people of Ireland, who are unconnected with Distilleries. The information given to the Commissioners of Inquiry into the Revenue, by Members of Parliament, High-Sheriffs of Counties, and indeed by all the intelligent portion of the community, led them to the same conclusion. In their remarks on the Malt Duty, which they made with a view to measures applicable to Ireland, they state,—“The use of Raw Grain for distilling Spirits, to the extent at which it at present prevails, is of modern origin, and appears to be entirely the consequence of the high Duty imposed on Malt. In Ireland, so late as the year 1800, Distillers, as well as Brewers, were prohibited from the use of any material except Malt. In England, in 1799, it appears that doubts were entertained whether Spirits could be successfully produced from Raw Grain; it is certain that illicit Spirit, which is said to be of superior quality, is distilled from Malted Grain; and there seems little doubt that Spirit produced from that article alone, is superior to the Spirit obtained either from Raw Grain, or from a mixture of Raw Grain and Malt.”

“It is clear, that if the Distiller who may manufacture from Malted Grain only, pays the Malt Duty, he is in effect subjected to an additional duty on the Spirit he manufactures. A certain expense also attends the process of Malting, and a greater quantity of Spirit can be produced from the mixture of Raw Grain and Malt, than can be obtained from an equal quantity of Malt alone; when to this is added the amount of the Malt Duty, it is evident that the legal Distiller of Spirits from Malted Grain, must require a price over and above the price necessary to remunerate the Distiller from Raw Grain, at least equal to the amount paid as duty on the Malt, an excess of price that almost excludes competition.”

The Commissioners of Inquiry, accordingly, recommended the very same measures for Ireland as for Scotland, *viz.* a great reduction in the rate of Duty, facilities for the manufacture of fine quality, and the

establishment of small works, and the Malt Drawback. There was every probability, that, if the whole plan had been fully carried into effect, one of the most beneficial improvements ever attempted in Ireland, would have been speedily accomplished.

On account of the great number of labourers necessary for the making of Malt Whisky, the success of the measure in question would have conferred a benefit of peculiar importance on Ireland, where the inhabitants are so much in want of regular employment. It will be found, that, for carrying on the process of Malting, *viz.* steeping, turning, and drying the Malt—digging out and carting the peats, of which fuel there is an abundant supply in Ireland—and in erecting and maintaining barns and kilns,—more than triple the labour will be required to manufacture the same quantity of Malt Whisky, as of Spirits from Raw Grain.

There may be many reasons, unknown to us, to account for the neglect of the Drawback in Ireland. But it was both openly, and in an underhand way, opposed by the large Distillers, who had become rich and powerful through monopoly and the evasion of Duties. They knew that Malt Whisky of fine quality would be manufactured in small works, and that the art of making it was generally understood; but that such works were unfitted for the manufacture of Raw Grain Spirits. It was, therefore, their interest to procure a bounty on the manufacture of such Spirits as could be advantageously made only in large works, and under management suited to their peculiar skill; and, consequently, they opposed the Drawback. The gentlemen of the country seem not to be aware, that small Malt Distilleries cannot succeed unless the Spirits, for the manufacture of which they are peculiarly adapted, be put on the same footing, with regard to taxation, as the coarse Spirits made in the large works; and that the establishment of small works, and the continuance of the Malt Drawback, are essentially connected.

The evils of illicit Distillation and Smuggling had continued for a longer time, had been more widely extended, had assumed a more alarming character, and had infected more deeply the habits of the people, in Ireland, than in Scotland. “In Ireland, it will appear from the evidence annexed to the Report, [say the Commissioners of Inquiry], that parts of the country have been absolutely disorganised, and placed in opposition, not only to the civil authority, but to the military force of the Government. The profits to be obtained from the evasion of the law, have been such as to encourage numerous

individuals to persevere in these desperate pursuits, notwithstanding the risk of property and life with which they have been attended."

"In Scotland, these evils are of comparatively recent growth, and are even now, in a great measure, confined to the more remote and mountainous districts; but they are perhaps the more striking, as they exhibit, within the memory of those now living, a melancholy change in the character of the lower orders of the people in the Highland districts, and lead to the conclusion, that, from the fatal prevalence of illicit Distillation, their moral condition is rapidly approaching to the lawless and disorganised state existing in parts of Ireland." It may easily be seen, that it would have required greater efforts on the part of the Landlords, and a longer time to eradicate these evils in Ireland than in Scotland.

Again, the Malt Duties have been notoriously evaded, even by entered Malsters in Ireland; and previous to the introduction of the present regulations, the Distillers did not pay Duty on much more than one-half of the Spirits manufactured by them. Distillers, dealers, and a great part of the Excise, were more or less involved in a system of defrauding the Revenue. It was to be expected, that such parties would continue, for a considerable time, their old practices and habits. But the Malt allowance cannot be procured, unless in cases where both Malt and Spirits have been regularly brought to charge; and the Distillers preferred the profits they had been accustomed to derive from the evasion of Duty, to those that they were likely to obtain legally from the Drawback of which they had no experience.

The Commissioners of Inquiry make the following observations:—"We cannot conclude this Report, without observing, that it is not from any improvement in the laws, or even from the considerable reduction of Duty, which we have recommended, that the complete suppression of illicit Distillation, either in Ireland or in Scotland, can be expected; it is from the cordial co-operation of the principal landholders and occupants of estates, that the measures sanctioned by the Legislature, can alone receive the means of efficient execution; and we cannot but expect, that, when by a considerable reduction of Duty, and by the establishment of a system of law that extends to the Distiller every practicable facility consistent with the collection of that Duty, the small capitalist shall be enabled, in every part of the country, to engage in the legal manufacture of Spirits, no motives will be found to oppose a co-operation so obligatory upon the landed proprietors themselves, and so essential to the internal peace and prosperity of their respective countries."

Now this necessary co-operation has been sincerely and efficiently given in Scotland. We are afraid that in Ireland, where it was so indispensable, this duty has been greatly neglected. We hear of few efforts made by landlords and occupants of estates to encourage the erection of small Malt Distilleries, or to enable the small capitalist, in every part of the country, to engage in the manufacture of Spirits.

But the Malt Drawback has never had a trial for a sufficient length of time in Ireland. Illicit Distillation, and the Smuggling of Malt, had been only partially suppressed in 1826, when an additional Duty on Spirits was imposed. The evils arising from these practices were thus revived; their growth was encouraged by another increase of Duty in 1830, and they were nursed up to their former strength and magnitude by the reduction of 6*d.* per gallon on the Malt allowance in 1832. This alteration took place at the very time when the full Drawback was especially necessary. If it had been continued in its full amount, or if even it were now restored as it originally existed, and the present increase of Spirit Duty reduced, we have no doubt that the same beneficial effects, in the course of a few years, would take place in Ireland as have taken place in Scotland. Even under so many discouragements, there are at present some Malt-works in the North of Ireland, where Spirits of superior quality are manufactured, and where the trade is profitable and rapidly increasing. If the present interference with the Revenue and Drawback had not been made, it is probable that important improvements would have been produced in that part of the country, by which the Revenue Police would have been rendered unnecessary.

We have no doubt that the complaints of the Irish Distillers are continued at present, and we can only now, as formerly, most distinctly declare our conviction, that no undue advantage has been derived by Scotch Distillers from the Malt Drawback, and that all its benefits have been enjoyed without any fraud. We have been told that it has been stated in the Dublin Newspapers, that there is at present more Drawback given in Scotland, than the whole amount of Revenue arising from Malt in that country. This is so palpably untrue, as to require no answer. But in fact we know of none of the accusations brought against the Scotch Distillers, that is not in reality equally unworthy of notice; and yet such misstatements, when often and boldly repeated, have considerable effect on many minds, and all who do not make inquiry are disposed to think that when so much is asserted, some part must be true. It has sometimes been

argued, that the fact of Scotch Distillers sending so large a quantity of Spirits to Ireland, the country from which they procure so great a proportion of their Grain, where wages are said to be cheaper, and where there are so many Distilleries, is of itself sufficient to create a suspicion, that some undue advantages with regard to the Duties of Excise are enjoyed by them.

In answer to this, we may state that with regard to wages paid in Distilleries, it has been the custom to employ a greater number of managers and of principal servants, and at higher salaries in Ireland than in Scotland. The cost of utensils, and especially of machinery, is greater likewise in the former than in the latter country. It is probable, therefore, that the expense for wages and management in the manufacture of Spirits, is less in Scotland than in Ireland.

It is true, that at certain seasons of the year, and in some parts of Ireland, the price of Grain is not so high as it is in some districts of Scotland; in Glasgow, for instance. But a large quantity of Corn is required to be imported, for the sustenance of the numerous inhabitants of Glasgow and its neighbourhood. It is in reality a great depot for Grain, containing immense granaries, and many wealthy Corn-factors, whose business it is to afford facilities, by advances of money, for importations from England, Ireland, the east and north of Scotland, and from Foreign countries. There is in general a large stock in the granaries; and in the midst of such liberal supplies, the Scotch Distiller can, throughout the year, purchase the Grain necessary for his manufacture, at nearly as low a rate as is paid by the Irish Distiller. We may add, that it being the fact, that for every ton of Grain manufactured into Spirits, considerably more than a ton of Coals is required to be used at the Distillery,—the disadvantage of the expense of the carriage of Grain brought from Ireland to Scotland, incurred by the Scotch Distiller, is more than counter-balanced by the expense of the carriage of coals brought from Scotland to Ireland, incurred by the Irish Distiller.

In consequence of the number of Steam-boats that sail from Glasgow to various ports in Ireland, Spirits can be sent there safely and expeditiously, and for a freight so small as to be less than the expense of a few miles of land-carriage.

It is probable that, with respect to the manufacture of Raw Grain Spirits, there is little difference in the skill of the Scotch and Irish Distiller; although the former excels in economical management. But, in the manufacture of Malt Spirits, as might have been ex-

pected, the Scotch Distiller is at present greatly superior. He has for many years devoted his ingenuity and capital to the preparation of an article of the finest quality; whereas, the Irish Distiller has never attempted to make any improvement in quality, and refused to employ the means which the enactments of the law placed within his reach. The natural result is, that a considerable and regularly increasing demand for Scotch Malt Spirits has arisen in Ireland. We may attribute to this fact the virulent opposition of the Irish Distillers to the Malt Drawback. They imagine that they are entitled to supply all the Spirits required in their own country; and think it a grievous hardship to encounter any competition in what they are pleased to call their own market. But surely, after the Distillery Regulations have been made exactly alike in Scotland and Ireland, and the intercourse in Spirits placed on an equitable footing between the two countries, they ought, in so far as the distillation and sale of Spirits is concerned, to be treated as one country in practice as well as in law.

The Distillers of Campbelton and Islay at present excel those of Glasgow and Edinburgh in producing fine Malt Spirits, and they sell the greater part of their manufacture in these towns. If the Lowland Distillers were to endeavour to procure a legal enactment, the result of which would be to restrain and prevent their Highland competitors from making and bringing to market the article in which they excelled, such an attempt would be reckoned unjustifiable and even ridiculous. But such are the attempts of the Irish against the Scotch Distillers; and the consequences of the proposed repeal of the Drawback in Ireland, if carried into effect, will afford an example (although not intended by the Government) of the success of such attempts.

The increased Duty on Spirits, and the proposed repeal of the Drawback in Ireland, are completely at variance with the principles recommended by the Commissioners of Revenue Inquiry, in 1823, and adopted by the Government with such beneficial results. We view these measures with regret and disappointment. We feel obliged humbly to declare our sincere conviction, that they are opposed to all the improvements of any essential importance that have been introduced in the laws affecting distillation for the last twenty years; they show a tendency to the partial and restrictive system that existed previous to that time, and, if persisted in, are likely to revive the evils that flourished with such baleful influence under that system. We have, in the preceding parts of this Statement, given

reasons for this conviction, at great length, and with all the clearness in our power. We will not take up time by repeating these reasons; but, keeping them in remembrance, add, as we proceed, a few remarks closely connected with them.

It is strange that the Report of the Commissioners of Excise Inquiry,\* and the measures rendered necessary by the state of Ireland so lately as 1834, have been so soon forgotten. The Report is an illustration of the fact, that in Ireland the Revenue has almost invariably been diminished by a high rate of Duty, and increased by a low rate.†

In 1811, the quantity of Spirits, Duty-paid, at a low rate of 2s. 6½d., was 6,378,479 imperial gallons; in 1822, at a high rate of 5s. 7¼d., only 2,910,483; in 1825, at a low rate of 2s. 4¾d., 9,262,744; in 1829, at an increased rate of 2s. 10d., 9,212,244; in 1831, at a rate farther increased to 3s. 4d., 8,710,672; in 1833, at the same rate, a farther decrease had taken place—the quantity of Duty-paid Spirits being only 8,168,596 gallons.‡

In the Digest of the Report of the Commissioners of Excise Inquiry on Smuggling of Spirits in Ireland, it is stated:—"Several pages of the Report are devoted to extracts from the evidence of the principal Distillers from various parts of Ireland, of the Deputation of Distillers who attended the Commission both in London and Dublin, and from that of the principal Officers of Excise from various districts in Ireland, all concurring to show the universal and alarming extent to which illicit distillation has prevailed in Ireland, especially in the years 1831 and 1832; and to the openness with which it has been sold in that country, as low as three shillings a gallon—the price of the legal Spirit being from seven shillings to seven and twopence a gallon; the consequences having been ruinous to the legal Distillers, and an accumulation in their hands of an immense stock of unsaleable Spirits. Another almost inevitable consequence has been, the evasion of Duty to a considerable extent, on the part of many of the legal Distillers also—an extraordinary instance of which is adduced, where such an evasion of Duty has been carried on in one of the Dublin Distilleries for a long time, in spite of the utmost vigilance of a zealous and active officer; as well as farther instances in several Distilleries in the South of Ireland.

"The increase of the Duty in 1826 and 1830, are distinctly pointed

\* See E in the Appendix. † See H and L in the Appendix.

‡ See H in the Appendix.

out as the primary causes of this lamentable state of things, aggravated and increased by the disturbed and lawless state of the country, in many parts of which the Excise Officers have been unable with safety to give effect to the laws."

Under such circumstances, the Government, in 1834, carried into effect the recommendations contained in the Report; they continued the Malt Drawback, and lowered the Duty on Spirits one shilling per gallon.\* The good effects of these measures were soon developed: the quantity of Spirits brought to charge was greatly increased—the evasion of duties among legal Distillers almost destroyed, and illicit distillation considerably lessened. In 1834, at the reduced rate of 2s. 4d. per gallon, the quantity of Duty-paid Spirits was 10,037,209, being an increase in one year of 1,868,596, and consequently a diminution of the quantity smuggled, to the same amount. In 1835, of Duty-paid Spirits there was the quantity of 11,381,223; in 1836, 12,248,772; in 1837, 11,235,635; in 1838, 12,296,342.†

In 1839, the Temperance movement began. In that year, the quantity of Duty-paid Spirits was 10,815,709; from 10th October 1839 till 10th October 1840, the quantity was 8,311,634; in 1841, 6,537,364.‡

The increase of Duty of one shilling per gallon, and the proposed repeal of the Drawback, will make the rate fourpence per gallon higher on Raw Grain Spirits, and one shilling per gallon higher on those distilled from Malt, than was the case in 1833, when high Duties had produced such deplorable consequences. Now, judging from experience, and bound as we are to believe, that similar circumstances will continue to be followed by similar effects, we are led to the conclusion, that the changes in question will restore illicit distillation with renewed vigour, and all the symptoms of an incurable disease. We can perceive no new ingredient of a kind likely to prevent these effects in the state of the country, excepting the influence of temperance societies. But surely it will be placing the newly-acquired habits of temperance under too severe a trial, to bring them into contact with illicit distillation and smuggling. They have been formed at a time when a low rate of Duty had allowed the Revenue, upon by far the greatest amount of gallons ever brought into consumption by the legal Distiller in Ireland, to be fairly collected. But illicit distillation and smuggling are the most fruitful sources of drunkenness and vio-

\* See E in the Appendix. † See I in the Appendix.

‡ See K and L in the Appendix.

lence; and it is to be feared, if restrictive regulations and a high Duty revive their influence, instead of the gradual improvement at present taking place in the morals of the inhabitants, there will be a quick descent to evils of the greatest magnitude—to intemperance, perjury, and broken *pledges*.

Such are the disastrous results likely to arise from the mere increase of the Spirit Duty: and these will be greatly aggravated by the repeal of the Drawback. But on this subject we beg to refer to what we have already stated. If any farther proof were needed of the predilection of the inhabitants of the North of Ireland for Malt Spirits of fine quality, it would be found in the demand, from that quarter, for Scotch Spirits of such a quality; and in the evidence received by the Commissioners of Excise Inquiry, in 1835:—"They state, as a curious fact, that scarcely any legal Malt Whisky is made in Ireland, although it is known that the illegal Whisky, which has been getting into such general consumption in Ireland, to the exclusion of the legal Spirit, is made almost entirely from Malt—such Malt having, as appears from the Tenth Report of the Commissioners, in scarcely any instance, paid the Malt Duty."

It is surprising, after it is proved beyond a doubt that the illicit Distiller is obliged to submit to the expense and risk of malting the grain that he uses in the manufacture of his Spirit, on purpose to please the taste of his customers, that the Government, in defiance of all warning and experience, should be disposed to deprive the legal Distiller of all encouragement given to make Malt Spirits of fine quality, and of a kind similar to those illicitly made, and by means of which alone he can be enabled to compete with and supplant the illicit trader; but, on the contrary, to give a bounty of at least one shilling and twopence per gallon on the manufacture of Spirits of an inferior quality; thus, besides other injurious consequences, affording an excuse to many for supporting instead of suppressing illicit distillation.

If the monopolists in Ireland succeed in procuring the repeal of the Drawback in that country, there is no doubt that they will injure the Scotch Distiller, and, to a considerable extent, prevent and restrain him from selling in Ireland an article in the manufacture of which he excels. They will accomplish this against competitors who never made use of unfair means to gain their superiority, and who had no advantages that were not enjoyed by themselves. But they will obtain no part of the trade wrested from the Scotch Distiller: it will be transferred to the illicit trader, under whose management it will

prove most injurious, not only to them but to the most important interests of the country.

The proposed repeal of the Drawback in Ireland is at variance with the endeavours which the Government have been making, for the last twenty years, to place the commercial intercourse between the different parts of the United Kingdom on a free and equitable footing, and which object had been completely attained with regard to the intercourse in Spirits between Scotland and Ireland.

But, in the meantime, we cannot proceed farther with our remarks. A Committee has been appointed to inquire into the effects of the repeal of the Malt Drawback on the trade in Spirits in Ireland. We hope that the preceding Statement, along with the papers in the Appendix, particularly those marked L and M, may be of use in calling the attention of the Members of Parliament, of the Committee, and of the Government, to the importance and justice of the views we have attempted to illustrate, and to the protection of our interests on the present occasion.



## APPENDIX.

## A.

*Unto the Right Honourable the LORDS COMMISSIONERS of HIS  
MAJESTY'S TREASURY,—the MEMORIAL of the Undersigned  
DISTILLERS of Glasgow and its Neighbourhood,*

HUMBLY SHEWETH,

THAT your Memorialists have heard with alarm, that Government are contemplating some alterations in the Distillery Laws, and particularly respecting the Allowance given on Spirits made from Malt only.

The existing Distillery Regulations were introduced on the recommendation, and under the superintendence, of the Honourable Commissioners of Inquiry into the Revenue, after a most extensive and careful investigation of the subject, embracing everything connected with the manufacture of Spirits, and the peculiar customs and tastes which led to and regulated their consumption in Scotland. It will be seen, from their Fifth Report to your Lordships, that the extent of illicit Distillation had become so immense, as to be greatly injurious to the Revenue, and even dangerous to the peace of the country.

The Regulations adopted in accordance with the views stated in the Report, have proved eminently successful; smuggling has been completely destroyed, and the Revenue on Spirits greatly increased. Your Memorialists are of opinion, that the Allowance made on Spirits produced from Malt only, has been the principal cause of this great improvement. It was particularly remarked by the Honourable Commissioners, and it is well known, that there is a decided predilection for Malt Spirits in Scotland, and that many of the inhabitants will not use any other kind. This sort of Spirits was formerly supplied by the smugglers. The measure referred to, not only encourages the Distillers who take the benefit of it, to make Spirits of the finest quality, but the Regulations by which it is carried into effect, oblige them to do so, and give a security to the purchaser that Malt Spirits only can be sold to him.

It is worthy of the attention of your Lordships, that the Enactments respecting the Making and Storing of Malt to be used by Distillers, by rendering it difficult for the smuggler to procure Malt, have proved powerful checks to the practice of illicit Distillation. Your Memorialists are convinced, that the removal of the Allowance in question, would be productive of the most disastrous consequences. The cost of Spirits made from Malt, after the Allowance has been given, will exceed that of Spirits made from unmalted grain, to the extent of from 6d. to 1s. 6d. per Gallon; One Shilling and Twopence added, will make the difference from One Shilling and Eightpence to Two Shillings and Eightpence. This difference will afford an irresistible temptation to Distillers in general to use raw grain; and even if some of them should abstain, the Spirits will become deteriorated in passing through the hands of dealers and retailers. The consumer will find the quality inferior, and will have recourse, as formerly, to the smuggler.

Your Memorialists therefore trust, that no alteration will be made regarding a measure that has been the means of destroying illicit Distilla-

tion with all its evils, of improving the trade and morals of the country, and of adding greatly to the Revenue.

Allegations have been boldly made, that great frauds have been committed by Scotch Distillers, in procuring Drawback for Malt. Your Memorialists distinctly state, that this is wholly untrue, and they appeal to the Honourable Board of Excise on the subject.

It has been stated, that the Drawback of Malt Duty is a great loss to the Revenue. This opinion is altogether fallacious. It is believed, that if an account of the quantity of Duty-paid Malt used in Distilleries, previous to the granting of any Allowance upon Spirits made from Malt only, and an account of the same kind, at the present time, were made out, the difference would be found very trifling, and in no way commensurate to the immense benefit gained by the Revenue from the increased income on Spirits. In fact, the greatest part of the Malt made for Distillers, at present, would never be made at all, excepting on account of the new demand arising out of the existing regulations. In case of these being altered, the Distillers would use unmalted Grain principally, instead of Malt. Malt used by Distillers, in so far as the Revenue on that article is concerned, is in a similar situation with Malt made for Foreign exportation, free of Duty. In neither case does the Revenue suffer: take away the demand for foreign exportation, and no more Malt will be made for that purpose; take away the Drawback on Malt from Distillers, they will use raw Grain instead of it, and little Malt will be made for their purpose. But there is this great difference between the two cases—that eventually the Revenue will suffer the loss of the Spirit Duty, which the Malt that would have been used by Distillers would have been capable of producing; and the smuggler will manufacture, to a great extent, both Malt and Spirits, free of Duty, as he did on former occasions.

Your Memorialists beg leave earnestly to call your Lordships' attention to the circumstance of the immense expense that they and licensed Maltsters have incurred in erecting malting establishments to suit the regulations of the present law, which an alteration will render entirely useless. They take the liberty of stating, that for the last 17 years, the Scotch Distillery laws have undergone many changes, not one of which has taken place without a great outlay to the Distiller. They have further to remark, that the present law is the most perfect for the protection of the Revenue, and for the interests of the fair trader, and of the country in general, that has yet been devised or that they are able to suggest, and that therefore all alterations should be avoided.

May it therefore please your Lordships to take this Memorial into your serious consideration, and to continue the Regulations of the present Distillery Laws, particularly those respecting the Allowance made to Distillers upon Spirits produced from Malt only.

And your Memorialists will ever pray.

(Signed)	JOHN GOURLAY.	-	JAMES THOMSON.
	JOHN HARVEY & Co.		JOHN CASSELS, Jun. & Co.
	JOHN MITCHELL & Co.		M. McFARLANE & Co.
	P. & J. DAWSON.		DAVID HAY.
	JAMES McFARLANE & Co.		C. & D. GRAY.
	JOHN BAILLIE.		JOHN MORRISON.
	JOHN CAIRNIE & Co.		JOHN FORREST.
	JAMES STEWART.		JOHN FREELAND.
	JAMES COWAN & Co.		

## B.

*Unto the Right Honourable the LORDS COMMISSIONERS of HIS  
MAJESTY'S TREASURY,—the MEMORIAL of the Undersigned  
DISTILLERS of Glasgow and its Neighbourhood,*

HUMBLY SHEWETH,

THAT it has been reported to your Memorialists, that various unfounded and exaggerated statements, regarding the abuse of the Drawback given on Spirits made from Malt only, have been made to your Lordships, your Memorialists being at a great distance from London, cannot personally refute these mis-statements, and have not even learned their precise nature. Owing to great competition in their trade, they are obliged to give the most assiduous personal attention to their affairs, and to conduct their operations with the utmost economy, to be able to produce Whisky at the low price which it has brought for some years past in their market; and they cannot, therefore, without much inconvenience, attend at London for this purpose. They are, however, assured that the most calumnious reports of fraud alleged to have been committed by them, have been made, in the boldest and most persevering manner, by Distillers averse to the allowance of a Drawback, and especially by Distillers from Ireland. All that your Memorialists can do in such circumstances, is to appeal to your Lordships for the protection of their character and interests, and most decidedly and solemnly to declare, that no such frauds have been committed by them; and that, to the best of their knowledge, throughout Scotland, no advantage in the way of evading Duty has been taken of this most beneficial and important measure.

They confidently appeal for a proof of the truth of these declarations, to the Honourable the Board of Excise, who must be able to afford the best information on the subject, and beseech your Lordships not to allow unfounded statements from interested parties, to induce your Lordships to recommend the withdrawing of an allowance which has been most beneficial to the Revenue and the morals of the people of Scotland.

But should there have been any fraudulent advantage taken with regard to the Drawback on Malt (of which your Memorialists are ignorant), they beg leave to state, that for this reason it is not necessary to withdraw so important an allowance, as your Memorialists would respectfully suggest the following plan, by which the possibility of fraud will be removed:—To cause Stock to be kept on, and Permits issued with, all Malt made or used for general purposes, as well as for Malt made and used for Distillation from Malt only. By this means, Malt, whenever found without a Permit, will be liable to seizure, and Stock will be regularly kept on Corn Distillers' and Brewers' Malt, as well as on Malt Distillers' Malt; so that all possibility of fraud will thus be prevented. Such regulations were in force till last year, and no suspicions of fraud were entertained until after their removal; and as no Drawback on Malt is allowed in England, such regulations would not interfere with the sale of Malt there.

Your Memorialists beg leave to observe, that the Irish Distillers, ever since the introduction of the existing regulations; have not only been obliged to pay their Duties more fully than formerly, but owing to a competition with Scotch Spirits in their own market, to make Spirits of a better quality and at a much lower rate of profit; they are, therefore, greatly averse to an intercourse in Spirits between Scotland and Ireland; but they are particularly exasperated at Scotch Malt Distillers, who, from the long experience in the manufacture of pure Malt Whisky, make Spirits

greatly superior to any made in Ireland; and their alarm is the more excited, by their knowing that this kind of Whisky is every year getting more into consumption there.

The Irish, therefore, have a strong interest in bringing forward misrepresentations on the subject; and they have not hesitated to impose grossly on the public, by mis-statements in Newspapers, of the most extraordinary nature, in which they have declared that great evasions of Duty have been practised by Scotch Distillers, in the transmission of Spirits to Ireland—that the Scotch alone were allowed Drawback on Malt made into Spirits—and that they did not even pay that Duty for which they received a Drawback afterwards; with many other misrepresentations, which your Memorialists refrained from noticing, as bearing in themselves, to all who knew the law, sufficient proofs of their own falsehood.

Your Memorialists are now, however, afraid that the very boldness of these unfounded assertions, has had too much influence, at least in Ireland, and with Members of the Legislature connected with that country; and they earnestly beg that your Lordships will sift, with the greatest care, all reports coming from Ireland, as they are satisfied that, on your Lordships taking the evidence of the gentlemen of the Excise, and of other persons well acquainted with the affairs of that country, your Lordships will see good cause for receiving such reports with caution.

Your Memorialists refrain from entering generally into the merits of the question regarding the Drawback, as, in a Memorial, dated 23d February 1831, they expressed their sentiments on this subject,—copy of which they beg leave herewith to transmit.

May it therefore please your Lordships to take this Memorial into your serious consideration, and to continue the Regulations of the present Distillery Laws unaltered, except by adopting the additional Regulations recommended to your Lordships for the securing the Revenue against all possibility of fraud connected with the Drawback on Malt.

And your Memorialists will ever pray, &c.

31st August, 1831.

C.

*To the Right Honourable* VISCOUNT ALTHORP.

GLASGOW, 5th April, 1833.

MY LORD,

WE, the undersigned Distillers of Glasgow and its neighbourhood, understanding that a new Distillery Bill is in contemplation, beg leave to inform your Lordship, that since the imposition of 6*d.* per gallon additional Spirit Duty in 1830, and the withdrawing of 6*d.* per gallon of the Malt Drawback in 1832, illicit Distillation has again commenced in the Highlands of Scotland. We are perfectly satisfied, that unless the Duty on Spirits be reduced from the present rate of 3*s.* 4*d.* per imperial gallon, proof, to 2*s.* 4*d.*; or the same reduction effected by taking 6*d.* per gallon from the present Spirit Duty, and adding 6*d.* to the Malt Drawback, evasions of the Revenue will increase gradually every season. The latter mode is that which we most decidedly recommend, for reasons adduced in a statement submitted last year to the Lords of the Treasury, when the Malt Drawback question was under inquiry; and as the sentiments

expressed in that statement, have been confirmed since that time, when 6*d.* per gallon of the Drawback was withdrawn, we enclose a copy of it, to which we respectfully and earnestly beg your Lordship's attention, as containing reasons for the restoration of the Drawback in full, too strong to be overlooked; and only add, that since the taking away of 6*d.* per gallon of the Drawback, Raw Grain Spirits have been mixed with Malt Spirits by Dealers to a great extent, and sold as pure Malt Spirits,—a practice which, while it indirectly defrauds the Revenue, and affords a strong temptation to purchase from smugglers, is most injurious to the more respectable Spirit-merchants, who will ultimately be forced into the same traffic, should the temptation to mixing not be removed by equalising the Duty on Malt and Raw Grain Spirits.

We beg leave further to state, that when the condition of Ireland, as well as Scotland, is considered, a reduction of the rate of Duty appears to us to be indispensable. We know that illicit Distillation has increased to an alarming extent in Ireland, and that evasions of the Revenue are by no means confined to unlicensed Distillers. We have not the means of knowing exactly the amount of the Revenue from Spirits in Ireland, since the imposition of the additional Duties, but have reason to believe that there is a great diminution, and have a proof of this in the fact, that not one-third part of the usual quantity has been imported from Scotland since that time.

We take the liberty of stating to your Lordship, as the result of our experience, and after a most careful investigation, that it will be found out of the power of any Government to collect the Spirit Duties fully at the present rate per gallon; and we predict with confidence, that a much larger Revenue will be obtained by lowering the rate of Duty 1*s.* per gallon, or perhaps more, if the reduction be effected in the way which we have recommended. In the year 1823, the Commissioners of Inquiry into the Revenue arising in Ireland, state nearly the same opinion; and on their recommendation, the Malt Drawback was allowed, and the Spirit Duty reduced from 5*s.* 6*d.* to 2*s.* per wine gallon. This was perhaps an unprecedented reduction of the rate of tax, yet the result proved its sound policy, as the amount of Revenue was thereby greatly increased. In January 1826, when the imperial gallon was brought into use, the Spirit Duty was raised to 2*s.* 10*d.* per imperial gallon, being an addition to the rate of Duty of about 5*d.* per imperial gallon, from which increase no apparent defalcation in the amount of Revenue arose; but in 1830, 6*d.* additional Spirit Duty was imposed; and in 1832, 6*d.* per gallon Malt Drawback withdrawn. The result has been, not an increase in the amount of Revenue, but a diminution somewhat in proportion to the increased rate per gallon; and we have no doubt the annual Revenue will continue to diminish in an increased ratio, if the Duty be not lowered.

We recollect with pain, the lawless and demoralising habits caused formerly in Scotland by smuggling, and cannot help adverting to the present state of Ireland, as calling particularly for such a rate of Duty *only*, as will be found easily collected. The present rate holds out temptations to violence, fraud, and collusion, scarcely to be resisted; whereas a Duty regulated on the principles laid down in the Fifth Report of the Commissioners of Inquiry, would gradually accustom the inhabitants to submit to the Revenue Laws, and render any breach of them disgraceful. We have reason to believe, that all licensed Distillers in Ireland, who derive no benefit from the present high rate of Duty, as well as all persons well informed as to the state of both countries, will join us in recommending a low rate of Duty. A high rate does not check the consump-

tion of Spirits, but reduces the quantity charged with Duty; and in place of promoting temperance, adds lawless and clandestine habits to intemperance.

Some improvements might be made in the Distillery Regulations, which we will not trespass on your Lordship by suggesting at present, but we beg leave to deprecate all departures from the general principles of the Distillery Law, as we consider it on the whole as admirably adapted for securing the Revenue, for allowing Distillers to make Spirits of a fine quality, for promoting an advantageous intercourse and competition throughout the kingdom, and encouraging exportation to foreign countries.

Begging your Lordship's attention to the Fifth Report of the Commissioners of Inquiry, and to the enclosed statement, as elucidating our views on the subject of this letter,

We have the honour to be, &c.

(Signed) JAMES COWAN & Co.	JOHN GOURLAY & Co.
M'LENNAN & MORRISON.	JNO. MITCHELL & Co.
JNO. MORRISON & Co.	M. M'FARLANE & Co.
JNO. M'DOUGALL.	JNO. FREELAND.
Per Pro JOHN CAIRNIE & Co.	JNO. CASSELS, JUN. & Co.
Wm. M'Neil.	Per J. M'GREGOR.
GEORGE M'LENNAN.	Arch Neilson.
M'LENNAN & GRANT.	JNO. MORRISON.
JAMES THOMSON.	JAS. M'FARLANE.
ALEXR. GRAHAM.	CHAS. & DAVID GRAY.
JAMES STEWART.	DAVID FINLAY.
M'PHERSON & M'NAUGHTAN.	Per Pro CALTON DISTILLERY Co.
JNO. BAILLIE.	Jno. M'Alpine.
JNO. & WM. HARVEY & Co.	

## D.

*At a MEETING of the DISTILLERS of GLASGOW and its NEIGHBOURHOOD, held in the TONTINE INN, GLASGOW, on the 4th February 1835, at One o'Clock, for the purpose of considering what measures ought to be taken for the Protection of their Interests, in the ensuing Session of Parliament,—*

MR. WILLIAM HARVEY was called to the Chair:—

And, after mature deliberation, it was unanimously Resolved,

1st, That His Majesty's Government shall be earnestly solicited to carry into effect, the recommendations and suggestions of the Commissioners of Excise Inquiry, as stated in their 7th Report, dated 25th July 1834.

2d, That the following Gentlemen, *viz.* Messrs. JOHN HARVEY, CHARLES GRAY, JOHN GOURLAY, and PATRICK DAWSON, Convener, shall be appointed a Committee, to prepare a Letter to be sent to the Members of Parliament for Scotland, requesting their assistance in promoting the views of the Meeting; and that the Resolutions of the Meeting, and the said Letter, shall be transmitted to the Right Honourable the Lords Commissioners of His Majesty's Treasury.

WILLIAM HARVEY.

GLASGOW, 7th March 1835.

*The Committee, agreeably to the Instructions of the Meeting, have prepared the following Letter:—*

SIR,

IN accordance with the Resolutions of the Meeting of Distillers, as stated above, we take the liberty of addressing you, and of earnestly requesting your particular attention to our interests during the ensuing Session of Parliament. We hope the following reasons will induce you to grant us your strenuous assistance, in our present application to His Majesty's Government:—

I. We represent the views of the Distillers of the West of Scotland; and the same opinions are entertained by those of the Highlands, and by the great majority of those who throughout Scotland make Spirits from Malt only. We may safely state, that we represent the views of at least one-half of a trade that manufactures and pays Duty on 5,800,000 gallons of Spirits, annually consumed in Scotland.

II. The English Distillers, whose interests are in several respects opposed to ours, have always, on account of their residing in London, or near to it, ready access to Members of Parliament and of the Government, and have considerable influence in recommending their peculiar plans.

III. The extensive Distillers in the East of Scotland, who manufacture Spirits principally for the London market, and some of whom attend personally with great assiduity during the Sessions of Parliament, are constantly suggesting alterations injurious to our interests.

IV. The Irish Distillers, offended that any Spirits should have been allowed to be sent from Scotland to Ireland, have been endeavouring to obtain, by means of partial regulations, an undue advantage in the intercourse in Spirits between the countries, and have had so much power, as to induce the Irish Members of all political parties to unite in a strenuous advocacy of their peculiar and local schemes, in which they have been too often successful.

V. The Distillers of the West of Scotland being numerous, their works of different sizes and much separated, and their personal attention required at home, it has not been in their power to send a deputation to attend to their interests.

VI. We have been emboldened to expect your cordial assistance, principally from the consideration, that while other parties are urging the Government to adopt partial and local regulations, we request you to support such measures only as have been approved of by Commissioners of Inquiry, appointed to take evidence and report to the Legislature. We most earnestly entreat the Government, on the one hand, to disregard the clamours of interested parties, who endeavour, by insidious means, to restore the old system of monopoly and exclusion—and the projects of rash though well-intentioned theorists, whose plans have been repeatedly tried, and found worse than useless, not curing the evil of drunkenness, but adding to it other and more malignant evils; and, on the other hand, to maintain unalterably and carry fully into effect, those measures which—after the fullest and most comprehensive investigation of the Distillery Trade in all its bearings, and particularly as connected with the peace and moral improvement of society—persons altogether disinterested, and of the greatest experience and authority in financial affairs, have recommended as the best adapted for securing a free and equitable intercourse in Spirits throughout the United Kingdom, and for promoting the interests of the fair trader, of the revenue, and of the country in general. Without troubling you with further remarks, we request your attention to

1. The 5th Report of the Commissioners of Revenue Inquiry, with the Supplement dated 25th June 1823.

2. The 7th Report of the Commissioners of Excise Inquiry, dated 25th July 1834.

We are anxious to direct your attention particularly to the last-mentioned Report, and have copied the summary of the recommendations respecting Scotland.

"The subjects more immediately calling for attention, appear to be as follows:—

"I. *Amount of Duty.*

"On the grounds already stated, we feel bound to recommend, that a reduction of One Shilling from the present amount, should immediately take place: this would leave the duty at its former rate of 2s. 4d. per imperial gallon; and we beg leave to repeat, that we submit this recommendation on a full conviction of its immediate and pressing necessity, for the purpose of checking the increase of illicit Distillation, and of giving the fair trader in Scotland a prospect of being able to carry on his trade.

"II. *Malt Drawback.*

"This is a point to which attention must necessarily be directed, but it is not one of those on which we recommend that any immediate change should take place. We have already alluded to the difficulty of submitting any specific recommendation on this question, with a view to its final adjustment; and with reference to the present situation of the Duties, both on Spirits and on Malt, we think it will be desirable to wait the result of the reduction which we have proposed on the Duty on Spirits, before any attempt is made to interfere with the existing regulations for the Drawback.

"III. *Change of existing Regulations on the following points:—*

"1st, The Scotch Distiller exporting to England, to pay the Duty on the quantity landed, instead of on the quantity shipped, limiting the amount of difference between these quantities.

"2d, The removal of the restrictions on shipping less than eighty gallons, with a permission to ship not less than twenty gallons in casks, or in cases of not less than six dozen quarts in bottles.

"3d, The diminution of the time from twenty-four hours to twelve, required for the notice of taking Spirits out of bond.

"4th, The repeal of so much of the Act relating to the Duty on Malt made from bear and bigg, as requires that the Grain, in respect of which the reduction is claimed, should be grown in the country in which it is Malted.

"5th, That, except in Spirits made exclusively from Malt, the range of gravities for the whole Kingdom shall be from fifty to eighty degrees, instead of from thirty to eighty degrees, as at present."—*See 7th Report of the Commissioners of Excise Inquiry, pages 93 and 94.*

Since the date of the Report, the Government have carried into effect part of the recommendations of the Commissioners, by reducing the Duty on Spirits in Ireland, One Shilling per gallon, making the rate the same as it was in 1823. We understand that it was Lord Althorp's intention, if he had remained in office, to have adopted the same reduction in Scotland, along with the other improvements recommended in the Report.

I have the honour to be,

SIR (for the Committee),

Your most obedient humble Servant,

PATRICK DAWSON,

CONVENER.

GLASGOW, 7th March 1835.

## E.

*To the Right Honourable the LORDS COMMISSIONERS of HIS  
MAJESTY'S TREASURY,—the MEMORIAL of the Undersigned  
DISTILLERS of Glasgow and its Neighbourhood,*

HUMBLY SHEWETH,

THAT your Memorialists have been informed, that it is the intention of His Majesty's Government, to introduce, during the present Session of Parliament, an Act to regulate the Distillery Trade throughout the United Kingdom. They have also learned, that Deputations of Distillers, from different parts of Ireland and Scotland, are about to proceed to London, for the purpose of giving such information as they may judge necessary, respecting the provisions of the proposed Law. As your Memorialists are prevented, at present, from sending a Deputation to represent their views, they take the liberty of earnestly requesting the attention of your Lordships to the following suggestions:—

The existing Distillery Law, was framed in accordance with the recommendations contained in the 5th Report of the Commissioners of Revenue Inquiry, dated 1823. The Regulations were introduced, after the most careful and extensive investigation, embracing everything connected with the Manufacture of Spirits, and the peculiar tastes and customs which affected their consumption in the different parts of the United Kingdom: and they have been eminently successful, in promoting the Interests of the fair Trader, of the Revenue, and of the Country in general. Your Memorialists feel confident, that no change is at present contemplated, that will in any manner affect the general principles established by the Commissioners of Inquiry; and they deprecate any great alteration of the details of the law, principally for the following reasons:—First, because these details were carefully prepared by the Gentlemen of the Excise Department, after much experience; and, upon the whole, have been proved, in practice, to be excellently fitted for fulfilling the purposes for which they were intended;—and, secondly, because Distillers having already, at vast expense, erected works and utensils, in conformity with the existing provisions of the Law, their past outlay ought not to be rendered useless, or a new outlay necessary, by any change that is not absolutely indispensable.

It is fortunate for all the parties interested in the Distillery Laws, that the subjects connected with their improvement, have been thoroughly investigated by the present Commissioners of Excise Inquiry. Your Memorialists earnestly request, that your Lordships may cause to be carried into effect the suggestions contained in their Seventh Report (Part 1, dated 25th July 1834, and Part 2, dated 27th February 1835).

In conformity with the views stated in that Report, your Memorialists hope, that the system of Distillery Regulations will be made common and uniform throughout the three Kingdoms, so that the intercourse in Spirits may be placed on an equitable footing. Your Memorialists have copied, for the consideration of your Lordships, the part of the summary that respects Scotland.

"The subjects more immediately calling for attention, appear to be as follows:—

*"I. Amount of Duty.*

"On the grounds already stated, we feel bound to recommend, that a reduction of One Shilling from the present amount, should immediately take place: this would leave the Duty at its former rate of 2s. 4d. per imperial gallon; and we beg leave to repeat, that we submit this recom-

menadation on a full conviction of its immediate and pressing necessity, for the purpose of checking the increase of illicit Distillation, and of giving the fair trader in Scotland a prospect of being able to carry on his trade.

“II. *Malt Drawback.*

“This is a point to which attention must necessarily be directed, but it is not one of those on which we recommend that any immediate change should take place. We have already alluded to the difficulty of submitting any specific recommendation on this question, with a view to its final adjustment; and with reference to the present situation of the Duties, both on Spirits and on Malt, we think it will be desirable to wait the result of the reduction which we have proposed on the Duty on Spirits, before any attempt is made to interfere with the existing regulations for the Drawback.

“III. *Change of existing Regulations on the following points:—*

“1st, The Scotch Distiller exporting to England, to pay the Duty on the quantity landed, instead of on the quantity shipped, limiting the amount of difference between these quantities.

“2d, The removal of the restrictions on shipping less than eighty gallons, with a permission to ship not less than twenty gallons in casks, or in cases of not less than six dozen quarts in bottles.

“3d, The diminution of the time from twenty-four hours to twelve, required for the notice of taking Spirits out of bond.

“4th, The repeal of so much of the Act relating to the Duty on Malt made from bear and bigg, as requires that the Grain, in respect of which the reduction is claimed, should be grown in the country in which it is Malted.

“5th, That, except in Spirits made exclusively from Malt, the range of gravities for the whole Kingdom shall be from fifty to eighty degrees, instead of from thirty to eighty degrees, as at present.”—*See 7th Report of the Commissioners of Excise Inquiry, pages 93 and 94.*

Your Memorialists take the liberty of adding the following suggestion, connected with the 3d recommendation in the above summary, *viz.*

Permission to Bond Spirits, or to take Spirits out of Bond, at any time from eight in the morning till four in the afternoon during winter, and from six in the morning till six in the afternoon in summer.

Your Memorialists are aware, that the permission to ship not less than twenty gallons, in casks, has been already granted; they are also aware, that the recommendation they are about to quote, has been, in a great measure, carried into effect by an order from your Lordships, but they request that both improvements may be introduced into the proposed Law. The recommendation referred to, is the following:—

“*Duties on Spirits lost at Sea, or by other accident.*

“In the former part of our Report, we have expressed an opinion, that the Trader should be relieved from the payment of Duty on those portions of his Spirits, which, after they have left his possession, may be lost by evaporation, leakage, or other accidental causes; on similar grounds, and with still stronger reasons, he appears to have a claim for relief, from payment of the Duties, when the whole of the quantity contained in a cask, or other vessel, has been lost by the foundering of a ship at sea, or other inevitable accident. The representations made on this point, are the more entitled to consideration, because the relief sought for, is already expressly

extended by Statute, to the cases of Malt accidentally destroyed, and also to the case of Foreign Spirits lost at sea.”—See 7th Report, Part 2, page 44.

Your Memorialists beg leave to state, that the exportation of home-made Spirits, to the Colonies and Foreign Countries, is checked at present, because the full Drawback for Malt used in their manufacture, is not allowed: this Drawback would require to be, on Malt Spirits, sevenpence-halfpenny; and, on Grain Spirits, one penny-halfpenny, per gallon. As a Drawback is allowed on Beer and Ale, when exported, on account of the Malt used in their manufacture, Distillers have a strong claim for a similar allowance on Spirits.

In reference to the proposed Distillery Bill, the Commissioners of Excise Inquiry remark:—“We have refrained from entering into a minute examination of the several clauses of the proposed Bill, under a conviction that such an examination would require a much greater proportion of time and undivided attention, than we have at our disposal; but from such examination as we have been able to give to the draft, as laid before us, we are inclined to think, that, in its present shape, it is little calculated to answer the expectations of improvement which have been raised by the announcement of its preparation; and that, therefore, if the intention of submitting it to the Legislature be persisted in, the draft should undergo a complete and careful revision, in consultation and conference with deputations of the leading Distillers. It will be seen that the meetings of Distillers, to which we have referred, generally concur in describing the Bill, in the shape in which it was submitted to them, as holding out no promise of improvement sufficient to answer any of the just expectations of the Trade.

“Without pretending to decide how far the Bill, in its present shape, may merit so general a condemnation, we beg to repeat our opinion, that before it be proceeded with, it is highly important that the representations of the various classes of Distillers should receive the attention to which they are entitled, and that due pains should be taken to convince them that such attention has been given to their representations.”—(See 7th Report, Part 2, page 41.)

Encouraged by the above recommendation, your Memorialists request that several copies of the proposed Bill may be sent to this district, as soon as convenient, either through the Collector of Excise, or directly to Mr. PATRICK DAWSON, Distiller, Anderston (by Glasgow). By this means, your Memorialists will have an opportunity of examining the provisions of the Bill, of consulting with each other on the subject, and of stating their deliberate opinions either to your Lordships or to the Honourable the Board of Excise, as they may be directed.

Your Memorialists would also advert to a subject on which, as no evidence appears to have been offered to the Commissioners of Excise Inquiry, they have not made any remark, *viz.* the very high rate of Duty on *Malt Spirits* in England, compared with Rum:—

The Spirit Duty in England is, per proof gallon,	7s. 6d.
Difference to the Distiller by the Duty being charged	} 2d.
at the worm-end, compared to the quantity brought	
into consumption, - - - - -	
The Malt Duty, - - - - -	1s. 4d.
The operations of the Maltster and Distiller are so	} 4d.
fettered by Excise Regulations, as to raise the cost	
price not less than - - - - -	
<hr/>	
	9s. 4d.

The price of Malt Spirits in England, is thus raised, by Duty and Revenue Regulations, 9s. 4d. per proof gallon; while Rum is brought into consumption at a Duty of 8s. 6d. Such a result, at once so injurious and unfair to the Distiller, the Agricultural Interest, and the Consumer, can hardly have been contemplated by the Legislature.

The preceding suggestions are the result of long experience and mature deliberation on the part of your Memorialists; and as they coincide with the recommendations contained in the 7th Report of the Commissioners of Excise Inquiry, which were proposed, after the fullest investigation, by persons altogether free from the influence of local and partial interests, and of the greatest authority in financial affairs,—your Memorialists trust, that your Lordships will cause them to be carried into effect,—

And your Memorialists will ever pray.

JOHN MITCHELL & Co.  
*Pro* JOHN CAIRNIE & Co.

John Hart.

JOHN MORISON.

MOSES RISK & Co.

JAMES COWAN & Co.

W. & R. STEWART.

CHARLES & DAVID GRAY.

*Pro* JAMES GUILD & SONS,  
A. Guild.

JAMES GUILD, Jun.

JOHN CASSELS, Jun. & Co.

*Pro* A. & J. & J. STEIN & Co. Islay,  
J. & A. Gairdner, Agents.

JOHN GOURLAY & Co.

M. McFARLANE & Co.

JOHN & WM. HARVEY & Co.

JAMES STEWART.

JAMES THOMSON.

GLASGOW, 21st April 1837.

## F.

*To the Right Honourable the LORDS COMMISSIONERS of HER  
MAJESTY'S TREASURY,—the MEMORIAL of the Undersigned  
DISTILLERS of Glasgow and its Neighbourhood,*

HUMBLY SHEWETH,

THAT your Memorialists being of opinion, that the interests both of the Revenue and the Distillery trade would be promoted by some changes in the present law, sent, in May 1838, a Deputation of their number to London, to co-operate with Deputations from the east of Scotland and Ireland, in pressing some alterations on the attention of Government.

That after several meetings of their Deputations, the following Statement was unanimously agreed to:—

“The Distillery Laws having been of late thoroughly investigated by the Commissioners of Excise Inquiry, the Deputation earnestly request that the recommendations contained in the Seventh Report, Parts 1st and 2d, be carried into effect, so that the system of Distillery Regulations may be made uniform throughout the three Kingdoms, and the intercourse in Spirits placed upon an equitable footing. The following suggestions are in strict conformity with the principles advocated by the Commissioners. —See 7th Report, p. 95, first six lines.

“1. That the system of warehousing Home-made Spirits, *free of Duty*, should be made general throughout the United Kingdom; and that with respect to allowances for loss, leakage, deficiencies, &c. Home-made Spirits should be placed on the same footing with Foreign and Colonial Spirits. —P. 48, Appen. 91; p. 265–6.

"2. A Drawback being allowed on Beer and Ale when exported, on account of the Malt used in their manufacture, Distillers are entitled to a similar allowance on Spirits exported to foreign parts.—*Appen.* 126, *bottom of p.* 364.

"3. That there is no security to the Revenue so long as there is no restriction as to the gravity of the Worts in the coolers and coppers of the English Distillers. The Deputations would suggest, as a measure absolutely indispensable to the protection of the Revenue and the fair trader, that the same limitation as to the gravity of Worts, which obtains in Ireland and Scotland, should be extended to England, which is the more imperatively called for, since the opinion given by the Solicitor of Excise, on 15th March 1836, as to what constitutes obstructing Officers in their survey.—*P.* 45, 46; *the latter part of Appen.* 92, *p.* 269.

NOTE.—In reference to the subject contained under the last head of this statement, the Deputation would, in explanation, remark, that the most important regulation of the Distillery law, is that which enables the Officer of Excise to take a true account of the gravity of the Worts, more particularly in the early stage of the process. The Distiller is required, in the first place, to make a declaration of the gravity he proposes to work at; which being done, he is by the Scotch and Irish law, interdicted from having Worts anywhere in his distillery, excepting in the *mash-tun* and *underback* exceeding by more than three degrees such declared gravity.

"When the English Distillery law was passed, a year after the Scotch and Irish, and professedly with the intention of assimilating the laws of the three countries, there was inserted in the Bill, just before the third reading, the words '*coolers and coppers*,' in addition to the words *mash-tun* and *underback*. By the insertion of these words, by which the Distiller in England has the privilege of having Worts of any strength in his *coolers*, one of the most efficient checks is entirely abandoned. In this opinion they are borne out by a Report to the Lords of the Treasury by the Commissioners of Excise, so far back as 30th January 1829, from which the following is an extract:—

"On the subject of the gravities 'We have to observe, in addition to what we stated in our former Report, that in Scotland and Ireland Distillers are restricted from having in their possession, except in the earliest stage of the process, Worts exceeding in gravity by more than three degrees the gravity of the Worts intended to be prepared, as specified in the Notice previously given for that purpose. In England no such restriction exists; and as there is reason to believe that advantage has been taken of this circumstance to introduce Worts of a higher density than specified in the Notice, and that the Officer has, by these and other means, been prevented from taking a correct account of it, we submit that the English Distillers should, in this respect, be placed on the same footing with those of Scotland and Ireland, and that the law should be made uniform upon this point throughout the United Kingdom.

(Signed) 'F. H. DOYLE. D. R. TREFUSIS.  
'A. CAMPBELL. W. PLUNKETT.'

"The Deputations would also refer to the following extract from the Report of Messrs. Logie & Halyburton, Surveying General Examiners, of 30th August 1832:—"The English Distillers have enjoyed, the last seven years, a very unfair advantage over the Scotch and Irish, with reference to the gravity of Worts, and the manner in which they are to be collected and declared. The law should, in our opinion, be the same in every re-

spect throughout the United Kingdom.'—*Appen. to 7th Report of Commissioners of Excise Inquiry*, p. 122.

"The Deputations would also call attention to the opinion of the Solicitor of Excise, alluded to at the close of the statement, of which the following is a copy:—'A statement having been made to the Board, that the dips and gravities of the wash, in the fermenting wash-backs, could not be ascertained in consequence of the strength of the carbonic acid gas, the Board have been pleased to order the Officers who survey Messrs. Thomas & George Smith's Distillery, of Bricks Row, Whitechapel, to be guided by the following opinion:—'I do not think the circumstances stated amount to an obstruction of the officers within the term of the Statute. It is probably true, as stated by Messrs. Smith, that whilst the fermentation is at the highest, and so large a body of gas evolved, their own men are equally unable with the Officers, to enter the back rooms; and during their exclusion from it, there cannot consequently be any injury to the Revenue effected; but as the Distillers must know about the time when the fermentation will have arrived at that height as to throw out such quantities of gas as prevent backs from being approached, it does occur to me as possible that a fraud may be committed by immediately previously adding a quantity of lob or heavy worts. The Officers should therefore be directed to try the state of the wash as late as they can, before the state of the back rooms prevent their doing so, and again as soon as possible after the dispersion of the gas will admit of their taking samples.'

(Signed) 'J. DEHANY.'

"It would thus appear to be in the power of any Distiller in England, by filling the fermenting-house with carbonic acid gas during the process of fermentation, to exclude the Officer of Excise entirely from that quarter, and to prevent him from taking the state of many of the wash-backs at any stage till fermentation has ceased, and the opportunity of imposing a check lost.

"Although a difference of opinion may exist on other points, yet upon the above the parties are quite unanimous, and confident that what they have proposed will benefit the Revenue, and place the Distillers in the three Kingdoms nearer a footing of equality than they have yet been."

That the Deputations had an interview with the Right Honourable the Chancellor of the Exchequer, and that hopes were held out to them that their case would receive consideration; but that since that time they have heard nothing of the matter.

Your Memorialists would again earnestly press on your Lordships' attention the grievances under which their trade labours; and would beg leave to state, in relation to a remark of the Chancellor of the Exchequer, as to placing Home-made Spirits in Duty-free warehouses, as respects loss, leakage, deficiencies, &c. "on the same footing as Foreign and Colonial," that it is not a question merely as to the rate of Duty, but that, as is well known to the Commissioners of Excise, almost all the prosecutions against Distillers arise from their endeavouring to make up, in some way or other, the loss in their stock from natural wastage. Were the proposed alteration made, it would do away with the greatest inducement to infringe the Excise regulations, and tend to prevent habits of evading the Law being formed, which may be turned to more serious frauds.

With regard to placing the English Distiller on the same footing as the Irish and Scotch, in respect to the gravity of worts in their coolers and coppers, your Memorialists would only refer to the opinion given by the

Commissioners of Excise so far back as January 1829; and your Memorialists take leave to express their surprise that a recommendation so pointedly stated, and from such unexceptionable authority, should not yet, after a lapse of ten years, be adopted.

Your Memorialists trust, that your Lordships will now be pleased to direct that the alterations proposed be now carried into effect.

And your Memorialists will ever pray.

JOHN & WILLIAM HARVEY & Co.  
D. & R. M'GREGOR.  
JAMES COWAN & Co.  
A. & J. STEIN & Co.  
M'PHERSON & M'NAUGHTAN.  
CHARLES & DAVID GRAY.  
MOSES RISK & Co.  
FREELAND & BUCHANAN.  
JOHN CASSELS, Jun. & Co.  
ALEXANDER GRAHAM.  
JOHN BAILLIE.  
JOHN MORISON.  
JOHN GOURLAY & Co.

M. M'FARLANE & Co.  
JOHN MITCHELL & Co.  
JAMES GUILD & SONS.  
JAMES GUILD, Jun.  
JOHN CAIRNIE & Co.  
JAMES STEWART.

*Pro* GREENOCK DISTILLERY Co.  
Dun. A. Campbell.

*Pro* WISHAW DISTILLERY Co.  
Patrick Chalmers.  
DAVID FINDLAY.  
JOHN ALEXANDER.

1838.

G.

*Circular to Scotch Members of Parliament.*

GLASGOW, 5th June, 1840.

SIR,

At a meeting of Distillers held here to-day, owing to important information from London, it was unanimously resolved to address the following communication to you.

The Distillers here have learned that the Irish Distillers have again made a strong application to Government, their object now being to procure the discontinuance of the Malt Drawback on all Spirits sent from Scotland to Ireland. Should the Government be induced to take this step, the result will be most prejudicial to Ireland itself, where the tendency to evasions of the Revenue has been greatly checked by the introduction of Malt Whisky. In the manufacture of this Spirit, Barley alone is used, and nearly the double of hands employed; while in Raw Grain Whisky, Oats, the food of the poor, is principally used, and Spirits of a harsh and inferior quality produced.

The checks that accompany the making of Malt Spirits under the Drawback Regulations are so complete, that but few Irish Distillers have availed themselves of this allowance, though under the same law with respect to Malt Drawback, and otherwise, except that their Spirit Duty is lower. It is to be recollected likewise, that at present, Distillers from Malt receive a Drawback of only one-half of the Malt Duty; thus already giving a bounty to inferior Spirits. The consequences of this measure would be ruinous to Scotch Distillers, who have expended capital to a large amount in Malt Barns and other erections necessary for the manufacture of Malt Spirits, using annually 500,000 quarters of Barley, prin-

cipally in small works spread over all parts of the country. The Scotch and especially the Highland Proprietors and Farmers, will be most materially injured; and to a considerable extent likewise, the agricultural interest in Ireland, from which country a large portion of the Barley is imported.

In the present communication, reasons cannot be fully stated for the continuance of the Drawback in Ireland, as well as Scotland, but these will be found at length in previous statements to the Treasury, and in the Report of the Commissioners of Revenue Inquiry. The Scotch Distillers being very numerous, and in general conducting small works at a distance from each other, have not the means of communicating with each other, and acting in concert, or of sending deputations to London, which the Irish uniformly do.

The Scotch Distillers must therefore throw themselves on their Representatives in Parliament, many of whom are well acquainted with the subject, earnestly entreating them to watch over this important interest; and only add, that amongst many other important disadvantages, the measures suggested by the Irish Distillers would prevent the intercourse in Spirits between this country and Ireland, from existing as at present, on a fair and equitable footing; and, in fact, put an end to that free intercourse which it has been all along so much the desire of the Government to promote and maintain. It ought likewise to be added, that Distillers from Malt only, have been placed in a peculiarly disadvantageous position, by 5 per cent. being lately added to their Malt Duty, without any addition to the Drawback; while, at the same time, an additional Spirit Duty of 4*d.* per gallon has been imposed.

I have the honour to be, respectfully,

SIR,

Your obedient humble Servant, &c.

## H.

## ENGLAND.

N ACCOUNT obtained from the BOARD of EXCISE, by the COMMISSIONERS of EXCISE INQUIRY, showing the following particulars with regard to HOME-MADE SPIRITS, from the Year 1790 to the present time, viz.

Rate of Duty. 2. Quantity brought to charge. 3. Revenue received in the Years in which each change of Duty took place, on an Average of three Years preceding, and three Years succeeding.

YEARS.	RATE of DUTY.	Number of Gallons paid Duty for Consumption	Revenue received in the Years in which each change of Duty took place, on an Average of	
			Three Years preceding.	Three Years succeeding.
1791	3s. 4 $\frac{3}{4}$ d. $\frac{15}{19}$	4,072,735		
1792	—	4,544,618		
1793	—	4,244,447		
1794	3s. 4 $\frac{3}{4}$ d. $\frac{15}{19}$ —3s. 10 $\frac{3}{4}$ d. $\frac{7}{19}$	4,594,793	£714,963 2 10	£566,973 6 4
1795	3s. 10 $\frac{3}{4}$ d. $\frac{7}{19}$ —4s. 4 $\frac{1}{2}$ d. $\frac{11}{19}$	4,711,640	773,403 4 1	536,114 9 0
1796	4s. 4 $\frac{1}{2}$ d. $\frac{11}{19}$	300,627		
1797	4s. 4 $\frac{1}{2}$ d. $\frac{11}{19}$ —4s. 10 $\frac{1}{4}$ d. $\frac{18}{19}$	2,808,948	618,989 4 8	964,651 10 2
1798	4s. 10 $\frac{1}{4}$ d. $\frac{18}{19}$	3,630,872		
1799	—	4,114,936		
1800	4s. 10 $\frac{1}{4}$ d. $\frac{18}{19}$ —5s. 4 $\frac{1}{4}$ d. $\frac{6}{19}$	4,335,550	850,654 16 10	808,619 16 8
1801	5s. 4 $\frac{1}{4}$ d. $\frac{6}{19}$	99,744		
1802	—	3,464,380		
1803	5s. 4 $\frac{1}{4}$ d. $\frac{6}{19}$ —8s. 0 $\frac{1}{2}$ d. $\frac{1}{19}$	5,353,309	659,850 10 1	1,740,456 19 11
1804	8s. 0 $\frac{1}{2}$ d. $\frac{1}{19}$	3,678,679		
1805	—	4,927,475		
1806	—	4,091,637		
1807	—	4,741,939		
1808	—	5,384,394		
1809	—	630,340		
1810	—			
1811	8s. 0 $\frac{1}{2}$ d. $\frac{1}{19}$ —10s. 2 $\frac{3}{4}$ d. $\frac{7}{19}$	112,868*		
1812	10s. 2 $\frac{3}{4}$ d. $\frac{7}{19}$	3,622,970		
1813	10s. 2 $\frac{3}{4}$ d. $\frac{7}{19}$	162,191		
1814	—	4,053,706		
1815	—	5,468,987		
1816	—	4,745,484		
1817	—	4,133,063		
1818	—	5,259,662		
1819	10s. 2 $\frac{3}{4}$ d. $\frac{7}{19}$ —11s. 8 $\frac{1}{4}$ d. $\frac{10}{19}$	4,146,505	2,420,196 6 8	2,559,825 3 5
1820	11s. 8 $\frac{1}{4}$ d. $\frac{10}{19}$	4,284,798		
1821	—	4,125,616		
1822	—	4,694,055		
1823	—	3,803,312		
1824	—	4,392,611		
1825	—	3,655,232		
1826	7s.	7,407,204	2,281,559 12 1	2,582,068 8 11
1827	—	6,671,562		
1828	—	7,759,687		
1829	—	7,700,766		
1830	7s.—7s. 6d.	7,732,101	2,582,068 8 11	2,804,156 5 0
1831	7s. 6d.	7,434,047		
1832	—	7,281,900		
1833	—	7,717,303		

Distillation from Corn was prohibited during nearly the whole of the three Years preceding 1811, and for a considerable portion of the subsequent period; consequently, no correct Average can be formed.

## SCOTLAND.

A TABLE containing the same particulars of Information respecting the PRODUCE of HOME MADE SPIRITS in SCOTLAND as are already given under the head of England.

Years.	RATE of DUTY.		Number of Gallons Paid Duty for Consumption.	Revenue received in the Years in which each change of Duty took place, on an Average of	
	In the Lowlands.	In the Highlands.		3 Years preceding	3 Years succeeding
	<i>per Gallon of Still Content.</i>	<i>per Gallon of Still Content.</i>	The Duty being charged at this period on the Number of Gallons content of the still, no account of the quantities made, or charged with Duty, can be furnished.		
1791	£ 3 12 0	£ 1 4 0			
1792	—	—			
1793	—	—			
1794	10 16 0½	1 16 0		£49,812 1 8	1795-97. 183,374 14 11
1795	—	—			
1796	—	—			
1797	64 16 4	3 0 0		1794-95. 126,539 2 2	184,435 12 11
1798	—	7 16 0¼		1795-97. 183,374 14 11	1799, 1800. 168,977 7 8
1799	—	—		1797-98. 221,038 17 2	1800-02. 150,367 8 8
	and 1s. 1½d. <i>per Gallon on Spirits made.</i>	and 1s. 4½d. <i>per Gallon on Spirits made.</i>	1,670,388		1802-03. 1802-03.
1800	£ 64 16 4	£ 7 16 0¼	775,750	232,387 17 5	293,976 0 8
1801	—	—	—		
	<i>per Gallon of Spirits.</i>	<i>per Gallon of Spirits.</i>		1799, 1800.	
1802	3s. 10½d. <sup>50</sup> / <sub>163</sub>	3s. 4½d. <sup>12</sup> / <sub>23</sub>	1,158,558	168,977 7 8	430,328 6 11
1803	—	—	2,022,409		
				1802-03.	
1804	5s. 9¾d. <sup>37</sup> / <sub>53</sub>	5s. 0½d. <sup>6</sup> / <sub>23</sub>	1,889,757	293,976 0 8	555,759 18 7
1805	—	—	1,625,987		
1806	—	—	1,812,237		
1807	5s. 8¾d. <sup>157</sup> / <sub>163</sub>	5s. 0½d. <sup>6</sup> / <sub>23</sub> - 4s. 11¼d. <sup>18</sup> / <sub>23</sub>	2,653,478	460,911 10 3	1808. 778,029 17 10
1808	—	4s. 11¼d. <sup>18</sup> / <sub>23</sub>	2,683,342		
1809	—	—	—		
1810	—	—	—		
1811	5s. 8¾d. <sup>157</sup> / <sub>163</sub> - 8s. 0¼d. <sup>19</sup> / <sub>43</sub>	4s. 11¼d. <sup>18</sup> / <sub>23</sub> - 6s. 7½d. <sup>2</sup> / <sub>3</sub>	1,581,524	1808. 778,029 17 10	1812-14. 582,584 0 4
1812	8s. 0¼d. <sup>19</sup> / <sub>43</sub>	6s. 7½d. <sup>2</sup> / <sub>3</sub>	1,318,115		
1813	—	—	—		
1814	—	—	1,474,187		
	<i>Lowlands &amp; Highlands.</i>			1812-14.	
1815	9s. 4½d. <sup>2</sup> / <sub>3</sub>	—	1,591,148	582,584 0 4	563,430 12 1
1816	—	—	918,859		
1817	6s. 2d.	—	1,906,950	586,315 8 3	633,043 11 11
1818	—	—	2,066,988		
1819	—	—	2,125,150		
1820	—	—	1,863,987		
1821	—	—	2,385,495		
1822	—	—	2,225,124		
1823	6s. 2d. - 2s. 4¾d. <sup>5</sup> / <sub>3</sub>	—	2,303,286	667,240 1 8	602,604 18 1
1824	2s. 4¾d. <sup>5</sup> / <sub>3</sub>	—	4,350,301		
1825	—	—	5,981,549		
1826	2s. 10d.	—	3,988,788	601,031 0 4	767,156 2 10
1827	—	—	4,752,199		
1828	—	—	5,716,180		
1829	—	—	5,777,280		
1830	2s. 10d. - 3s. - 3s. 4d.	—	6,007,631	767,156 2 10	949,796 15 0
1831	3s. 4d.	—	5,700,689		
1832	—	—	5,405,439		
1833	—	—	5,988,556		

NOTE.—The Distillation having been principally from Molasses or Sugar, in some of the intervening periods, has prevented an Average being made of the Revenue on Corn Spirits for three successive years; but where this has occurred, the years for which the Revenue has been taken to form such averages are stated.

**IRELAND.**

The following TABLE contains the same particulars of Information respecting the Produce of HOME-MADE SPIRITS in IRELAND as have already been given in reference to England and Scotland.

YEARS.	RATE OF DUTY.	Number of Gallons Paid Duty for Consumption.	Revenue received in the Years in which each change of Duty took place, on an Average of	
			3 Years preceding.	3 Years succeeding.
1791	1s. 1 $\frac{1}{4}$ d.	3,416,766		
1792	—	3,343,578		
1793	—	3,833,763		
1794	—	4,153,785		
1795	1s. 5 $\frac{1}{4}$ d.	3,612,083	£ 207,256 5 9	330,346 11 4
1796	—	3,787,771		
1797	—	4,694,254		
1798	1s. 11d.	4,173,439	284,427 18 10	1799. 417,865 3 1
1799	2s. 4 $\frac{1}{4}$ d.	3,553,594	330,346 11 4	1802. 674,575 11 10
1800	—	275,013		
1801	—	Nil.		
1802	2s. 10 $\frac{1}{4}$ d.	4,715,098	1799. 417,865 3 1	669,976 2 8
1803	2s. 10 $\frac{1}{4}$ d.-3s. 6 $\frac{3}{4}$ d.	4,343,095	1802. 674,575 11 10	687,890 19 8
1804	3s. 6 $\frac{3}{4}$ d.-4s. 1d.	3,543,599	1802-3. 678,099 1 10	841,579 11 0
1805	4s. 1d.	3,686,233		
1806	—	3,858,107		
1807	—	5,597,204		
1808	—	3,575,430		
1809	—	71,628		
1810	4s. 1d.-2s. 6 $\frac{1}{2}$ d.	4,630,675	1807-8. 987,606 18 0	1811-12. 877,738 17 3
1811	2s. 6 $\frac{1}{2}$ d.	6,378,479		
1812	2s. 6 $\frac{1}{2}$ d.-5s. 1 $\frac{1}{4}$ d.	4,009,301	1810-11. 714,924 18 10	1814-15. 1,383,634 2 5
1813	5s. 1 $\frac{1}{4}$ d.-5s. 7 $\frac{1}{4}$ d.	1,809,849	790,910 0 1	1,268,151 6 2
1814	5s. 7 $\frac{1}{4}$ d.	5,392,458		
1815	5s. 7 $\frac{1}{4}$ d.-6s. 1 $\frac{1}{2}$ d.	4,323,844	1812-14. 1,198,620 1 3	1,079,513 10 9
1816	6s. 1 $\frac{1}{2}$ d.-5s. 7 $\frac{1}{4}$ d.	3,557,200	1814-15. 1,383,634 2 5	1,079,426 7 6
1817	5s. 7 $\frac{1}{4}$ d.	3,586,932		
1818	—	4,284,347		
1819	—	3,676,516		
1820	—	3,299,650		
1821	—	3,311,462		
1822	—	2,910,483		
1823	5s. 7 $\frac{1}{4}$ d.-2s. 4 $\frac{3}{4}$ d. 2 $\frac{5}{8}$	3,590,376	889,731 17 2	960,990 18 9
1824	2s. 4 $\frac{3}{4}$ d. 2 $\frac{5}{8}$	6,690,315		
1825	—	9,262,744		
1826	2s. 10d.	6,837,408	846,597 19 1	1,294,389 5 10
1827	—	8,260,918		
1828	—	9,937,903		
1829	—	9,212,224		
1830	2s. 10d.-3s.-3s. 4d.	9,004,539	1,294,389 5 10	1,418,723 11 1
1831	3s. 4d.	8,710,672		
1832	—	8,657,756		
1833	—	8,168,596		

NOTE.—The Distillation having been principally from Molasses or Sugar, in some of the intervening periods, has prevented an Average being made of the Revenue on Corn Spirits for three successive years; but where this has occurred, the years for which the Revenue has been taken to form the averages are stated,

## I.

AN ACCOUNT of the Quantities of PROOF SPIRITS Exported from SCOTLAND to ENGLAND, and to IRELAND, distinguishing the Quantities thereof, on which the MALT DRAWBACK was Repaid in SCOTLAND in each Year, from 10th October 1825 to 10th October 1839.

Years ending 10th October	NUMBER OF GALLONS PROOF SPIRITS.			
	Exported from Scotland to Ireland and England.	Proportion thereof on which Malt Drawback had been repaid in Scotland.	Exported from Scotland to Ireland.	Proportion thereof made from Malt only.
1826	2,957,674	189,514	877,744	100,245
1827	2,659,989	76,120	661,955	88,142
1828	2,798,892	87,686	901,514	148,456
1829	3,313,208	114,398	904,182	192,881
1830	2,714,598	135,911	960,518	230,789
1831	2,700,722	165,612	1,098,165	252,317
1832	2,403,492	183,617	592,295	203,343
1833	2,567,525	242,060	427,669	202,588
1834	2,547,220	273,592	401,782	207,477
1835	2,482,105	286,250	717,966	310,490
1836	2,533,468	347,846	943,660	423,046
1837	2,277,054	350,682	815,267	377,442
1838	1,738,799	421,464	889,159	415,030
1839	2,246,717	463,060	1,156,427	457,561

AN ACCOUNT of the Quantities of PROOF SPIRITS Exported from IRELAND to ENGLAND, distinguishing the Quantities on which MALT DRAWBACK was Repaid in IRELAND in each Year, from 10th October 1825 to 10th October 1839.

Years ending 10th October	NUMBER OF GALLONS PROOF SPIRITS.	
	Exported from Ireland to England.	Made from Malt only, and on which Malt Drawback was Repaid in Ireland.
1826	822,859	
1827	541,521	117
1828	701,238	429
1829	782,193	1,727
1830	315,132	1,598
1831	1,214,817	249
1832	1,151,344	758
1833	601,033	1,230
1834	362,130	3,513
1835	536,795	2,548
1836	363,712	907
1837	341,789	2,152
1838	286,025	3,301
1839	369,287	3,593

AN ACCOUNT of the Quantities of SPIRITS Imported into ENGLAND from SCOTLAND and IRELAND, for the Years ending 5th January 1839 and 1840.

	1839.		1840.	
	Malt Only.	Mixed Corn.	Malt Only.	Mixed Corn.
From IRELAND,.....	3,130	322,217	2,438	360,003
From SCOTLAND,.....	440,000	1,388,678	520,940	1,535,700

AN ACCOUNT of the Quantity of SPIRITS Imported into IRELAND from SCOTLAND.

	1839.		1840.	
	Malt Only.	Mixed Corn.	Malt Only.	Mixed Corn.
FROM SCOTLAND,.....	408,066	460,678	427,822	334,536

AN ACCOUNT of the Quantity of SPIRITS Imported into SCOTLAND from IRELAND.

	1840.	
	Malt Only.	Mixed Corn.
FROM IRELAND,,.....	69	6,390

AN ACCOUNT of the Quantities of SPIRITS charged with DUTY, as Entered for HOME CONSUMPTION, for the Year ending 5th January 1839.

COUNTRY.	Malt Only.	Mixed Corn.
ENGLAND,.....	443,130	7,487,360
IRELAND,.....	536,955	11,759,387
SCOTLAND,.....	5,674,148	585,563

AN ACCOUNT of SPIRITS charged with DUTY in the Years 1835, 1836,  
1837, 1838, and 1840.

COUNTRY.	1835.	1836.	1837.	1838.	1840.
ENGLAND,...	7,316,053	7,875,703	7,133,869	7,930,619	8,278,148
IRELAND,....	11,381,223	12,248,772	11,235,635	12,296,342	7,401,051
SCOTLAND, .	6,013,932	6,620,826	6,124,035	6,259,711	6,180,138

P. S. The Quantity for the Year 1839 could not be got.

DUTY per IMPERIAL GALLON PROOF SPIRITS, and MALT DRAWBACK  
thereon, from 1824 to present time.

1824-25.	DUTY,....2s. 4 $\frac{1}{2}$ d. $\frac{5}{2}$ <sup>5</sup> <sub>3</sub> .	MALT DRAWBACK,....1s. 2d. per Gallon.
1826-30.	— 2s. 10d.	Do. 1s. 2d. do.
APRIL 1830.	— 3s.	Do. 1s. 2d. do.
JUNE 1830.	— 3s. 4d.	Do. 1s. 2d. do.
APRIL 1832.	— 3s. 4d.	Do. 8d. do.
MAY 1840.	— 3s. 8d.	Do. 8d. and 5 per Cent.
DUTY ON MALT,.....2s. 7d. per Bushel, and 5 per Cent.		

K.

RETURNS TO AN ORDER OF THE HONOURABLE THE HOUSE OF COMMONS,  
Dated 5th October 1841,—for

1. A RETURN of the Proof Gallons of SPIRITS Distilled in each Collection of Excise, and within the limits of the Head Office of Excise in ENGLAND, in each Year, from the 10th October 1839 to the 10th October 1841, and showing the Total Proof Gallons for each of these Years.

COLLECTIONS.	Number of the Proof Gallons of Spirits Distilled.	
	Years ended 10th October.	
	1840.	1841.
Bristol, . . . . .	368,051	443,315
Essex, . . . . .	208,686	230,045
Hertford, . . . . .	1,643,030	1,733,466
Liverpool, . . . . .	297,292	294,146
Manchester, . . . . .	88,098	
Newcastle, . . . . .	47,837	46,314
Surrey, . . . . .	1,460,535	1,484,467
Worcester, . . . . .	61,475	45,230
London, within the limits of the Head Office,	1,638,965	1,709,104
TOTAL, . . . . .	5,813,969	5,986,077

2. *Similar RETURN for SCOTLAND.*

COLLECTIONS.	Number of the Proof Gallons of Spirits Distilled.	
	Years ended 10th October.	
	1840.	1841.
Aberdeen, . . . . .	218,946	214,387
Argyle North, . . . . .	57,075	58,745
Argyle South, . . . . .	904,910	1,024,689
Ayr, . . . . .	474,254	471,418
Caithness, . . . . .	92,517	70,488
Dumfries, . . . . .	80,607	87,149
Edinburgh, . . . . .	1,581,965	1,339,237
Elgin, . . . . .	336,162	314,656
Fife, . . . . .	565,017	605,049
Glasgow, . . . . .	2,007,301	1,808,866
Haddington, . . . . .	416,190	392,931
Inverness, . . . . .	218,725	210,740
Linlithgow, . . . . .	586,716	600,849
Montrose, . . . . .	97,557	93,316
Perth, . . . . .	326,252	285,587
Stirling, . . . . .	1,068,159	992,637
<b>TOTAL, . . . . .</b>	<b>9,032,353</b>	<b>8,570,744</b>

3. *Similar RETURN for IRELAND.*

COLLECTIONS.	Number of the Proof Gallons of Spirits Distilled.	
	Years ended 10th October.	
	1840.	1841.
Armagh, . . . . .	423,032	257,419
Athlone, . . . . .	166,843	94,389
Clonmel, . . . . .	358,272	256,961
Coleraine, . . . . .	266,266	266,382
Cork, . . . . .	1,098,581	1,041,299
Drogheda, . . . . .	515,313	228,295
Dublin, . . . . .	1,910,952	1,257,071
Dundalk, . . . . .	579,570	302,112
Foxford, . . . . .	76,971	50,247
Galway, . . . . .	181,695	110,366
Kilkenny, . . . . .	227,490	125,366
Limerick, . . . . .	228,187	143,449
Lisburn, . . . . .	891,657	758,628
Londonderry, . . . . .	246,383	205,579
Mallow, . . . . .	463,603	371,938
Maryborough, . . . . .	443,267	229,173
Naas, . . . . .	194,552	84,367
Sligo, . . . . .	261,582	159,858
Tralee, . . . . .	35,488	
Waterford, . . . . .	42,298	43,700
Wexford, . . . . .	248,749	110,258
<b>TOTAL, . . . . .</b>	<b>8,860,751</b>	<b>6,096,857</b>

4. *A RETURN of the Proof Gallons of SPIRITS Exported from SCOTLAND to ENGLAND, in each Year from the 10th October 1839 to the 10th October 1841, and the Number of Proof Gallons of these on which the Malt Drawback was repaid in SCOTLAND.*

Years ended 10th October	Number of Proof Gallons of Spirits.	
	Exported from Scotland to England.	On which Malt Drawback was repaid in Scotland.
1840.....	2,068,177	502,346
1841.....	1,990,250	529,265

5. *A RETURN of the Proof Gallons of SPIRITS Exported from SCOTLAND to IRELAND, in each Year from the 10th October 1839 to the 10th October 1841, and the Number of Proof Gallons of these Malt Drawback had been obtained on in SCOTLAND.*

Years ended 10th October	Number of Proof Gallons of Spirits.	
	Exported from Scotland to Ireland.	On which Malt Drawback had been obtained in Scotland.
1840.....	843,730	430,885
1841.....	574,332	438,213

6. *A RETURN of the Proof Gallons of SPIRITS Exported from IRELAND to ENGLAND, in each Year from the 10th October 1839 to the 10th October 1841, and the Number of Proof Gallons of these on which the Malt Drawback was repaid in IRELAND.*

Years ended 10th October	Number of Proof Gallons of Spirits.	
	Exported from Ireland to England.	On which Malt Drawback was repaid in Ireland.
1840.....	347,880	2,019
1841.....	342,500	1,617

7. A RETURN of the Proof Gallons of SPIRITS that paid Duty for Home Consumption in each Kingdom, in each Year from the 10th October 1839 to the 10th October 1841; what of these Malt Drawback of 8d. had been obtained on in SCOTLAND, and in IRELAND, and in ENGLAND, that Malt Drawback was repaid on in SCOTLAND and in IRELAND.

Years ended Oct. 10	ENGLAND.		SCOTLAND.		IRELAND.	
	Number of Gallons that have paid Duty for Home Consumption.	Number of Gallons on which Malt Drawback was repaid in Scotland and Ireland.	Number of Gallons that have paid Duty for Home Consumption.	Number of Gallons on which Malt Drawback had been obtained.	Number of Gallons that have paid Duty for Home Consumption.	Number of Gallons on which Malt Drawback had been obtained.
1840	8,219,657	504,365	6,124,909	5,560,605	8,311,634	555,149
1841	8,267,891	530,882	6,000,562	5,404,625	6,537,364	519,818

G. A. COTTRELL, ACCT. GENL.

EXCISE OFFICE, LONDON, 7th January, 1842.

L.

OBSERVATIONS on the Increase of One Shilling per Gallon on the SPIRIT DUTY and the Discontinuing of the MALT DRAWBACK in IRELAND, presented to the Right Honourable the CHANCELLOR of the EXCHEQUER, by a Deputation from the DISTILLERS of the West of Scotland.

LONDON, March 21, 1842.

THE Distillers of the West of Scotland beg leave to submit, through us, some observations on the proposed increase of 1s. per gallon on the Spirit Duty in Ireland, and more particularly, on the discontinuing in that country of the Malt Drawback, and the whole system of regulations accompanying it. The consequence will be to raise the Duty on Corn Spirits there to 3s. 8d. per gallon, and the Duty on Malt Spirits (to which the whole Malt Duty will thus come to be added) to about 5s. per gallon proof, or 6s. 3d. per gallon 25 over-proof, the strength at which Spirits are usually sold in Ireland.

It will be found that the Revenue from Spirits in Ireland has almost invariably been diminished by a high rate of Duty, and increased by a low rate, as will be seen by the following Table, extracted principally from the Appendix to the Seventh Report of the Commissioners of Excise Inquiry, No. 66:—

Date.	Rate of Duty.	Quantity in Imperial Gallons Paid Duty.	Date.	Rate of Duty.	Quantity in Imperial Gallons Paid Duty.
1811	2s. 6½d.	6,378,479	1833	3s. 4d.	8,168,593
1822	5s. 7½d.	2,910,483	1834	2s. 4d.	10,037,209
1825	2s. 4¾d.	9,262,744	1838	2s. 4d.	12,276,342
1829	2s. 10d.	9,212,244	1839	2s. 4d.	10,815,709
1831	3s. 4d.	8,710,672	1840	2s. 4d. } 2s. 8d. }	7,401,051

It is to be observed, that the variation in the quantity of Spirits on which Duty has been paid, so remarkable in the above Table, is not to be attributed to any increase or decrease in the actual consumption, but to evasions of the Duty, except with regard to the two last years, in which the consumption was affected by the Temperance movement. In Ireland this fact is notorious, and is stated in various parts of the Reports of the Commissioners of Excise Inquiry, in particular in their Seventh Report, Appendix Nos. 40 and 143.

It may be asked, why we presume to interfere in a matter regarding Ireland only. To this we beg leave to reply, that it appears to us a narrow view of the subject to look on the two countries as possessing separate interests, and requiring exclusive laws and regulations for each; and we are happy to state that for many years the Government have acted on a broader and truer policy, which has been attended with the most beneficial results, in regard both to the community and the Revenue. Since 1822 it has been the aim of Government to promote a complete intercourse between Scotland and Ireland; and upon this principle, the Distillery Law and Regulations in both countries have been the same, with one or two immaterial exceptions. Acting on this principle, we have cultivated a considerable trade with Ireland, both in Malt and Grain Spirits, as will be seen by the following Table:—

Years ending 10th Oct.	NUMBER OF GALLONS OF PROOF SPIRITS.		Years ending 10th Oct.	NUMBER OF GALLONS OF PROOF SPIRITS.	
	Exported from Scot- land to Ireland.	Proportion thereof made from Malt only.		Exported from Scot- land to Ireland.	Proportion thereof made from Malt only.
1826	877,744	100,245	1833	427,669	202,588
1827	661,955	88,142	1834	481,782	207,477
1828	901,514	148,456	1835	717,966	310,490
1829	904,182	192,881	1836	943,660	423,046
1830	960,518	230,789	1837	815,267	377,442
1831	1,098,165	252,317	1838	889,159	415,030
1832	592,295	203,343	1839	1,156,427	457,561

In prosecuting this trade, and looking forward to a continuation of it, confidently trusting that a fair intercourse and reciprocity between the countries would never be abandoned by the Government, we have expended large sums on our works, which any enactment infringing on this intercourse will render almost valueless.

We know of no part of the Distillery Law which has been productive of so many beneficial results to both countries as the Malt Drawback; and are certain that without it, illicit distillation never could have been eradicated; and that it (or what would be more than equivalent to it, an exemption from the Malt Tax) will ever be found a necessary and constituent part of the Distillery Law, otherwise the Revenue will not be protected in either country. For a full and clear illustration on this subject, we refer to the preceding Statement.

We have to plead that the natural taste of the population, especially in the North of Ireland, could not have been satisfied unless we had furnished that country with Malt Whisky, which has been the principal means of putting down illicit distillation there as well as in Scotland.

One reason why the Irish Distillers have not availed themselves more than they have done of the Malt Drawback, is, that under its regulations,

which are peculiarly stringent, no opportunity for evasion existed; and it would appear to us a proof of this, should they be found willing to give up that privilege, and agree to subject themselves to a higher duty, rather than to submit to its regulations.

Should the Malt Drawback be discontinued in Ireland, it is presumed we must repay the Malt allowance given to us in Scotland on sending our Malt Spirits to Ireland. The Irish Distillers, however, will have it in their power to make Spirits entirely from Malt, if they choose, without any of the checks provided by the Drawback Act; and will be able accordingly to produce Malt Spirits for England and Ireland at a Duty lower by 2*d.* to 4*d.* per gallon than we can, even supposing the Malt Duty to be fully levied. We are prepared to show that this is a moderate calculation; when it is considered that in addition to all the usual modes of charging Malt Duty, we are subjected to a measurement of the dry Malt from the kiln-head, which almost always bears the charge; that the Malt is then placed in store, under the Excise lock—if two gallons of proof Spirits for each bushel of Malt be produced, then the benefit of the Drawback is obtained, on the principle on which that Drawback is granted; if less, which is often the case, then the Distiller sustains a loss in proportion to the deficiency; while, on the other hand, he must pay, under the name of deficient Malt, for whatever quantity of Spirits, exceeding that proportion of two gallons to the bushel, may be produced from the quantity of Malt used.

It may be stated that we also may work irrespectively of the Drawback, but this would exclude us from our own market, and is therefore in reality impracticable.

It will be learned, by inquiries in Ireland as to the collection of the Malt Duty there, that the account of the evasion of that Duty, given in the 10th Report of the Commissioners of Inquiry, still remains verified by the same system of evasion. There is no difficulty in obtaining large supplies of smuggled Malt, and the door opened to fraud, in the manufacture of Malt Spirit, by the removal of the Drawback Regulations, appears truly alarming.

It will be evident, from what we have stated, that on purpose to increase the Revenue on Spirits, we would have taken the opposite course from that adopted in the Resolutions, and to have effected that end would have lowered the rate of Duty in Ireland; and with the same purpose in view, would recommend unhesitatingly a like course in Scotland. Such, we are quite sure, are the sentiments of Distillers in general, and of all persons intimately acquainted with the Distillery trade, and the collection of the Revenue on Spirits. We think it would be easy, from the past history of the trade, to fix on the almost exact rate of Duty which would yield the highest Revenue, and that will be found under the rate of Duty at present existing in either Scotland or Ireland.

We beg leave to direct attention to a most important point unconnected with the previous subject, *viz.* that a Drawback should be allowed on the Malt used by Distillers in the making of Spirits exported to the Colonies and Foreign parts. The policy of this is, we presume, evident, and we have reason to believe that there being no Act for this purpose, arose merely from an omission in not including Spirits along with Ale, in the Act allowing a Drawback on the latter when so exported. This Drawback would require to be on Malt Spirits 8*d.* per gallon, proof; and on Grain 1½*d.* per gallon.

It has likewise been reported to us, that a large manufacture of Spirits has been going on in the Channel Islands, conducted without any sur-

veillance or hinderance, where the Distillers can work from Foreign Barley, free of duty, and send their Spirits into bond in England, only paying the same Duty as Spirits made in England.

(Signed) WILLIAM HARVEY.  
PATRICK DAWSON.

M.

*Unto the Right Honourable the LORDS COMMISSIONERS of HER MAJESTY'S TREASURY,—the MEMORIAL of the Undersigned, the DISTILLERS of the West of Scotland,*

HUMBLY SHEWETH,

THAT, on the 21st of March last, your Memorialists presented to the Right Honourable the Chancellor of the Exchequer, through a Deputation of their number, some observations, in writing, on a Bill then passing through Parliament, which has since received the Royal assent, Imposing an additional Spirit Duty of One Shilling per gallon, and Repealing the Malt Drawback in Ireland,—a copy of which observations your Memorialists herewith present, and to which they respectfully request the attention of your Lordships. Your Memorialists beg leave now to adduce some additional reasons for the permanent continuation of the Malt Drawback in Ireland; the Repeal of which, your Memorialists understand to be suspended for a limited period, by a Bill now passing through Parliament.

1st, Because, by a clause in the Act imposing 1s. per gallon additional Spirit Duty in Ireland (making it the same as in Scotland), and repealing the Drawback there, the right of warehousing in Scotland is restored to Ireland; and by the Bill since suspending the Repeal of the Drawback in Ireland, the law for the two countries is perfectly assimilated, the Regulations being in every respect the same, the Duties and Drawback the same, the Malt Duty being 2s. 7d. per Bushel, 5 per Cent. added; the Malt Drawback, 8d. per Gallon, 5 per Cent. added; and the Spirit Duty, 3s. 8d. per proof gallon: whereas, as soon as the suspension of the Repeal of the Drawback ceases, this most desirable assimilation and reciprocity will be destroyed.

2d, Because, by the Repeal of the Drawback in Ireland, that country will be placed in an unprecedented situation, as the Duty on Malt Spirits will then be about 8d. per gallon higher than in Scotland.

3d, Because, from the generally inferior quality of Scotch and Irish Barley, it could not be malted with advantage, except under some such system as the Malt Allowance Act, by which the Malt Duty is so regulated as to be ultimately levied on the Spirits produced, and not on the bushels of Malt used. Malt made from Irish Barley may produce about 11 gallons from six bushels; while not less than 14 gallons can be produced from six bushels of Malt made from fine English or Foreign Barley. But for the provisions of the Malt Allowance Act, the Malt Duty on the 11 gallons Spirits made from Irish Malt, would be at the rate of 1s. 5½d. per gallon; while on the 14 gallons produced from the same quantity of fine English or Foreign Barley Malt, the Malt Duty would only be 1s. 1¾d. per gallon. The evident consequence will be, that Scotch and Irish Barley will no longer, to any extent, be used for malting, and that, as the

fine English Barley is almost all taken up by the English brewers, recourse will be had by the Distillers to Foreign Barley.

4th, Because Distillers in Ireland from Malt only, will by the Repeal of the Drawback on Malt, be grievously wronged and injured, as it will then be out of their power to compete with the Scotch in Scotland or in Foreign countries; while the Duty (including that on Malt, equal in all to about 6s. 3d. per gallon, 25 O. P.) will throw their trade in IRELAND into the hands of smugglers; thus rendering valueless all their outlaid capital.

5th, Because an increasing source of employment, in the production of Peats or Turf with which Ireland abounds, and in the lengthened process of malting, will be withdrawn.

It may be asked, Why the Irish Distillers in general have not availed themselves to a greater extent of the Malt Drawback? In reply to which, your Memorialists beg leave to state, in addition to the reason adduced in the observations of 21st March, that there is scarcely any manufacture which has not a seat or locality where it first became remarkable; and such is the case with regard to Malt Whisky, the West and North of Scotland being always famous for that article; of which, the celebrated Innishowen Whisky, in Ireland, is likewise an example; and many more might be adduced, such as Sheffield for cutlery—Edinburgh, for ale—London, for porter; but the justly famous porter of Dublin affords an instance of a transference, or, at all events, a participation of such a local fame, which required only time and perseverance to effect. Such will ultimately be the case in Ireland with regard to Malt Spirits, for it is not to be supposed that the Irish Distillers, possessing so many local advantages, will not in time supply by far the greater proportion of Malt Whisky, called for by the preference for that article, every year more and more developed, and which is gradually extending even to the South. But were a line drawn from Newry to Galway, the population to the north of that line will be found to give a most decided preference to Malt Whisky, as appears clearly from the large quantity consumed by them annually, at a price much higher than that of Corn Spirits. And to prove the imminent risk of removing the Malt Drawback, your Memorialists can show, that no sooner was it understood that a Bill was going through Parliament for that purpose, and the price of Malt Spirits consequently raised by the dealers, than smuggled Whisky began to be made, and introduced into Londonderry and other towns in the North of Ireland; and extensive preparations commenced in Innishowen and other districts, by the sowing of bear or big, &c. for recommencing that extensive system of illicit distillation, which, before the introduction of the Drawback, had so signally demoralised the population, and baffled all the efforts of the Excise and Military to put it down. It may be said, there is a new security against drunkenness in the introduction of the Temperance system; but your Memorialists know of no means so certain to overturn that system, as a general prevalence of illicit distillation in Ireland. These considerations, in addition to those contained in the observations of their Deputation, appear to your Memorialists such as to demand a permanent suspension of the Repeal of the Malt Drawback in Ireland.

But, while your Memorialists thus deprecate the Repeal of the Malt Allowance in Ireland, they would view any reduction of it in Scotland as still more impolitic, and which would at once be disastrous to the Distillery trade, injurious to the Revenue, and, by renewing an extensive system of illicit distillation, destructive to the morals of the people. On the last

mentioned point, they would refer to literary and statistical reports in general, and especially to Mr. Hill's first Report on Scotch Prisons, where he states the great diminution of crime from the reduction of Duty in 1823. Your Memorialists appeal to the Reports of the Commissioners of R  venue Inquiry—to the effects of the original granting of the Drawback, *viz.* the almost immediate annihilation of the most extensive and demoralising system of smuggling ever known in Scotland—to the consequent increase of the Revenue, the peaceful and almost perfect collection of it, and the absence of all fraud amongst the Distillers, or even imputations of it, except by a certain portion of Irish Distillers; which charges have been uniformly disproved, and in many cases shown to be most gross and wanton. They appeal to their own uniform testimony in favour of this Drawback, before and since it was granted, in Memorials addressed to your Lordships from year to year, and to their remonstrances against the removal of one-half of it in 1832, which they still pledge themselves to prove to have been an impolitic step. They appeal to the Members of both Houses of Parliament, connected with Scotland; and, finally, to the Honourable the Board of Excise,—whether the removal of this Drawback in Scotland is not sure to lower the Revenue, to introduce a flood of smuggled Whisky from the mountainous districts, as well as from concealments in large towns, to cause attempts at fraud amongst licensed Distillers, and, in fact, to put an end to the Distillery business, bringing consequent ruin to your Memorialists and all engaged in it.

Your Memorialists, on the contrary, most confidently recommend, that the original Drawback of 1s. 2d. per gallon should be restored, both in Scotland and Ireland; and they predict with certainty, the consequent increase of the Revenue. They contend, as they have always done, that this is not a Drawback in the ordinary sense, but the removal of a premium or bounty on the manufacture of inferior, *viz.* raw Corn Spirits, on which no Malt Duty is paid—a bounty encouraging the use of an inferior article, and depriving the people of a great source of employment, about double the number of hands being necessary for the manufacture of the same quantity of Malt as of Grain Spirits.

Your Memorialists perceive, that in newspapers in Dublin it is at present boldly asserted, that a constant and iniquitous system of fraud has been practised on the Malt Drawback in Scotland, insomuch that the Scotch Distillers have been getting more money back, on the pretext of Malt Drawback, than was paid on all the Malt used in the Distilleries in Scotland. Your Memorialists appeal to the Honourable the Board of Excise, whether there be the least ground for suspicion as to frauds on the Drawback in Scotland to any extent; and beg your Lordships' attention to the monstrous absurdity of the latter part of the statement. But your Memorialists beg to state, that, however gross or false such statements may be in reality, yet, when so boldly, publicly, and repeatedly put forth, they prejudice the general mind, and lead to wrong legislation; and your Memorialists earnestly request, that their character may be vindicated, by calling for official accounts and reports; which will be found most decidedly to disprove such allegations.

Your Memorialists state the opinions of all the Distillers in Scotland, except some of those in the Edinburgh and Fife collections, whose sentiments they do not know; but they are sure they express the sentiments of Distillers in Scotland who manufacture nearly, or more than 7,000,000 out of the 8,570,744 gallons made in Scotland last year; and should a measure so ruinous be really contemplated, your Memorialists, in conclu-

sion, beg earnestly and respectfully to be allowed to adduce evidence in support of the facts and arguments now urged on your Lordships.

May it please your Lordships to take this Memorial into your serious consideration, and your Memorialists will ever pray,  
&c. &c.

JOHN & WM. HARVEY & Co.	CHARLES & DAVID GRAY.
JOHN MITCHELL & Co.	ALEX. GRAHAM.
MOSES RISK & Co.	<i>Per Pro</i> S. LAING, William Laing.
M. M'FARLANE & Co.	JOHN MORRISON.
JOHN GOURLAY & Co.	JOHN ALEXANDER.
HARVEYS, M'FARLANE, & Co.	DAVID FINDLAY.
JAMES COWAN & Co.	W. & J. MUTTER.
PATRICK CHALMERS.	John Campbell, for JAMES LANG.
GEO. MACLENNAN.	ALEX. FILSHIE.
J. C. GRAHAM.	THOS. BUCHANAN, Jun.
JAMES STEWART & Co.	P. Sam. M'Lellan.

## N.

AN ACCOUNT of the NUMBER of GALLONS brought to Charge in IRELAND during each of the last 20 Years, and the Rate and Total Amount of DUTY paid thereon.

YEARS.	Number of Gallons of Spirits Imperial Measure.	Rate of Duty per Imperial Gallon.	Amount of Duty Paid.
		s. d.	£ s. d.
1822	2,910,483	5 7 $\frac{1}{4}$	815,897 15 6
1823	3,590,376	{ To 10th October, 5 7 $\frac{1}{4}$ From Do. 2 4 $\frac{3}{4}$ 2 $\frac{5}{8}$ }	624,819 9 0
1824	6,690,315	2 4 $\frac{3}{4}$ 2 $\frac{5}{8}$	803,148 6 6
1825	9,262,744	2 4 $\frac{3}{4}$ 2 $\frac{5}{8}$	1,111,825 12 0
1826	6,837,408	2 10	968,632 8 0
1827	8,260,918	2 10	1,170,296 14 4
1828	9,937,903	2 10	1,407,869 11 10
1829	9,212,224	2 10	1,305,065 1 4
1830	9,004,539	{ To March 15, . 2 10 June 14, . 3 0 From Do. . 3 4 }	1,412,917 7 8
1831	8,710,672	3 4	1,451,778 13 4
1832	8,657,756	3 4	1,442,959 6 8
1833	8,168,596	3 4	1,361,432 13 4
1834	9,708,416	{ To September 1, 3 4 From Do. 2 4 }	1,369,310 12 8
1835	11,381,223	2 4	1,327,809 7 0
1836	12,248,772	2 4	1,429,023 8 0
1837	11,235,635	2 4	1,310,824 1 8
1838	12,296,342	2 4	1,434,573 4 8
1839	10,815,709	2 4	1,261,832 14 4
1840	7,401,051	{ To 15th May, . 2 4 From Do. . 2 8 }	936,126 3 8
1841	6,485,443	2 8	864,725 14 8

(Signed) G. A. COTTREL, *Accountant General.*

EXCISE-OFFICE, LONDON, 11th May 1842.

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